

ESTTA Tracking number: **ESTTA97376**

Filing date: **08/31/2006**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91125615
Party	Plaintiff UNIVERSITY OF SOUTHERN CALIFORNIA ,
Correspondence Address	Scott A. Edelman and Michael S. Adler GIBSON DUNN & CRUTCHER LLP 2029 Century Park East, 40th Floor Los Angeles, CA 90067-3026 UNITED STATES pto-cc@gibsondunn.com, madler@gibsondunn.com
Submission	Brief on Merits for Plaintiff
Filer's Name	Scott A. Edelman, Esq.
Filer's e-mail	PTO-CC@gibsondunn.com, madler@gibsondunn.com
Signature	/scott edelman/
Date	08/31/2006
Attachments	Opp Redacted Trial Brief.pdf (57 pages)(2938918 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

UNIVERSITY OF SOUTHERN CALIFORNIA,

Opposer,

v.

UNIVERSITY OF SOUTH CAROLINA,

Applicant.

Opposition No. 91125615

Serial No. 75/358,031

Mark: **SC (Stylized)**

Filed: September 16, 1997

Published: May 18, 1999

OPPOSER'S OPENING TRIAL BRIEF

[VERSION WITH CONFIDENTIAL PORTIONS REDACTED]

TABLE OF CONTENTS

	<u>Page</u>
ISSUE PRESENTED	v
DESCRIPTION OF THE RECORD	v
A. OPPOSER'S EVIDENCE	v
B. APPLICANT'S EVIDENCE.....	vi
C. JOINT EVIDENCE.....	vi
I. INTRODUCTION.....	1
II. FACTUAL BACKGROUND	3
A. The University of Southern California Has Long Been Known as SC.....	3
1. California Is Known as SC Verbally as Well as Visually.....	3
a. There Is Overwhelming Evidence from Periodicals Around the Country that California Is Generally Known Verbally as SC.....	3
b. California's Witnesses and Carolina's Witness Confirm that the University of Southern California Is Known Verbally as "SC"	5
c. California's Identity as SC Is Enshrined at the Heart of the School's Athletic Identity.....	6
2. The University of Southern California Has Consistently Used Various Forms of SC as the School's Primary Mark for Athletics Since At Least 1898.....	6
a. The Earliest Documents at the University of Southern California Show Various Forms of SC as the Primary Athletics Mark	6
b. Photos of the University of Southern California Sports Teams Dating Back to 1904 Show that the University Has Consistently Used Various Forms of SC as part of the Standard Team Uniforms for Its Athletics Programs	7
c. Among the University of Southern California's Historic Variations of SC is One Essentially Identical to Carolina's Proposed SC Stylization	7
d. The University of Southern California's Athletic Teams Have Been Nationally Successful Under the SC Banner	8
B. The University of Southern California Has Long Sold Collegiate Goods Under Its SC Mark Through Various Channels of Trade Including Sporting Goods Stores, Sports Specialty Stores, and Mass Merchandisers	9
1. The University of Southern California Has Sold a Wide-Variety of Collegiate Goods Bearing Its SC Mark Through Its Catalogs and Multiple On-Campus and Off-Campus Bookstore Locations Since At Least 1976.....	9
2. The University of Southern California Has Also Authorized Sales of Its Goods Through a Wide Variety of Other Channels of Trade Such as Sporting Goods Stores, Sports Specialty Stores, and Mass Market Retailers Since at Least 1988	10
a. Although California Uses a Variety of Trademarks (Including Multiple Variations on Its SC Mark), It Sells Goods Bearing the SC Marks Through the Same Range of Channels as Its Other Goods.....	11
b. California's Goods In General Include Virtually The Entire Range of Products Which Can Be Purchased In Connection with a College or University	13
3. The University of Southern California Sells Tens of Millions of Dollars of Merchandise Per Year Through a Wide Variety of Channels of Trade	13
a. California Sells Millions of Dollars in SC Branded Merchandise Through Its In-House Team Trojan Program	13

Table of Contents (Continued)

	<u>Page</u>
b. California Sells Tens of Millions of Dollars in Licensed Merchandise, Of Which a Sizable Percentage Bears the SC Marks	14
4. California Has One Incontestable Registration in Typed Form for Its SC for Use on Collegiate Goods and Another Registration for Its Athletic Interlock Stylization of Its SC Mark.....	15
a. Registration No. 1,844,953 Covers the SC Mark in Typed Form on a Wide Variety of Collegiate Goods in All of the Channels of Trade at Issue in This Opposition.....	15
b. Registration No. 2,683,137 Covers the Athletic Interlock Stylization of the SC Mark on a Wide Variety of Collegiate Goods.....	17
C. Carolina Has No Relevant Trademark Rights in Any Stylization of SC Much Less This Particular One	18
1. There Is No Evidence that Carolina Ever Used the SC Mark on Merchandise Before 1997	18
a. Neither Carolina Nor Its Licensing Agent Has Provided Any Evidence That It Ever Used Any Form of the SC Mark on Merchandise Before 1997	18
b. The CLC Agreements List Carolina's Trademarks But Do Not Include Any SC Mark (Including the One Executed in 2002) Nor Does Carolina's Own Trademark's Cite Refer to SC	19
c. CLC's "Appendix B" Listing the Marks Available to Carolina Licensees Did Not Include Any Form of Any SC Mark Until Sometime After May of 2002.....	19
d. The University of South Carolina Has Filed At Least 156 South Carolina State Trademark Registrations over the Years, But Never Sought to Protect Any Form of SC.	20
e. Despite Carolina's Application Based on Alleged Use of the SC Mark on T-Shirts, Shorts, and Uniforms Before September 16, 1997, Carolina Has Provided No Evidence of Any Such Use Until Long After 1997.....	20
2. There Is No Evidence that the University of South Carolina Is Known as "SC" In Any Verbal Sense	20
3. Carolina Has a Presumptive First Use Date of 1997 For Its Mark	21
4. To the Extent that Carolina Ever Used SC in Connection With Its Athletic Teams, Carolina Abandoned the Mark Several Times.....	21
a. There Is No Evidence of Any Material Use by Carolina of Any Form of the SC Mark Between 1906 and 1921.....	21
b. There Is No Evidence of Any Material Use by Carolina of Any Form of the SC Mark Between 1931 and 1948.....	22
c. There is No Evidence of Any Material Use by Carolina of Any Form of the SC Mark Between 1974 and 1991.....	24
5. To the Extent that Carolina Ever Used SC in Connection With Its Athletic Teams, the Use Was Minor	25
a. The Block C Is the Primary Carolina Sports Mark.....	26
b. The School is Commonly Known Verbally as "Carolina"	26
c. To the Extent It Was Used at All, SC Was Used Sporadically and in a <i>De Minimis</i> Manner.....	27
D. The Goods Are the Same and Travel in the Same Channels of Trade.....	28
1. California Licenses and Sells the Not Only Exact Goods At Issue In the Registration, But Also the Same Range of Goods as South Carolina.....	28
2. Carolina and California Sell Through the Types of Same Sporting Goods Stores, Sporting Fan Stores, General Merchandise Stores Like Department Stores and Wal-Mart as Well as Internet Retailers.....	29

Table of Contents (Continued)

	<u>Page</u>
3. California and Carolina License the Same Companies to Design and Sell Their Goods, Which Sell Similar Products to the Same End Retail Stores	30
4. The Products Are Typically Found Together in Retail Locations	31
E. Substantial Numbers of Consumers are Unsophisticated and the Goods Are Cheap	34
1. While a Portion of the Purchasers are Hardcore Fans, Many if Not Most Are Considerably Less Sophisticated	34
2. The Goods At Issue Are Relatively Inexpensive	35
F. Additional Facts Make Confusion Even More Likely in this Case	35
1. Carolina's Primary Color Is One of California's School Colors	35
2. Carolina's Use of a Variety of Forms of SC Preclude The Consuming Public as Recognizing Carolina's Form of SC as a Unique Style Mark	36
3. There Is Even Evidence of Actual Confusion In This Matter	36
G. There Is No Material Evidence of Any Other Party Selling SC Clothing or Collegiate Goods	37
H. Carolina Has Admitted Being Aware of California's SC Mark When it Adopted Its Version of the SC Mark	38
III. ANALYSIS	38
A. California Has Priority With Respect to the SC Mark in Apparel	38
1. California's Common Law and Registration Rights Long Pre-Date the Presumptive 1997 First Use Date	38
2. The Historical Record Demonstrates that California Has Priority for the SC Mark	39
a. California Has Undisputed Priority on Apparel	39
b. To the Extent Relevant, California Also Has Priority In Connection with Collegiate Athletics	39
c. Even If Carolina Somehow <i>Did</i> Have Absolute Historical Priority, California Would Still Have Priority By Virtue of Its Incontestable Registration	41
B. Each of the <i>du Pont</i> Factors Supports Finding That the Proposed Mark is Confusingly Similar to California's Established Registration and Use of SC	43
1. The Marks Are Identical or At Least Confusingly Similar	43
2. The Goods Are Identical	45
3. There Is a Near Complete Overlap in Channels of Trade	45
4. The Conditions of Sale Increase the Likelihood of Confusion	46
5. The Record Demonstrates the Fame of California's Mark	46
6. There Is No Material Evidence of Other Similar Marks In Use for Similar Goods	47
7. There Is Evidence of Actual Confusion	47
8. The Variety of Goods Also Favors California	48
9. The Board May Also Consider Carolina's Inequitable Conduct In Filing a Use-Based Application When It Had Not Used the Goods at Issue on Three of the Four Products Recited in the Application	48
10. The Market Interface Also Increases the Likelihood of Confusion	48
C. The Balance of Factors Indisputably Favors California	48
VI. CONCLUSION	49

TABLE OF AUTHORITIES

Page(s)

Cases

<i>American Optical Corp. v. Autotrol Corp.</i> , 175 U.S.P.Q. 725 (TTAB 1972).....	39
<i>Canadian Imperial Bank of Commerce v. Wells Fargo Bank, Nat'l Ass'n</i> , 811 F.2d 1490, 1 U.S.P.Q.2d 1813 (Fed. Cir. 1987).....	42, 45
<i>Century 21 Real Estate Corp. v. Century Life of America</i> , 970 F.2d 874, 23 U.S.P.Q.2d 1698 (Fed. Cir. 1992).....	43, 48
<i>Elder Mfg. Co. v. International Shoe Co.</i> , 194 F.2d 114, 92 U.S.P.Q. 330 (CCPA 1952).....	38
<i>Entrepreneur Media, Inc. v. Smith</i> , 279 F.3d 1135, 61 U.S.P.Q.2d 1705 (9th Cir. 2002)	44
<i>Envirotech Corp. v. Solaron Corp.</i> , 211 U.S.P.Q. 724 (TTAB 1981).....	43
<i>Federated Foods, Inc. v. Fort Howard Paper Co.</i> , 544 F.2d 1098, 192 U.S.P.Q. 24 (CCPA 1976)....	43, 48
<i>Grandpa Pidgeon's of Missouri, Inc. v. Borgsmiller</i> , 477 F.2d 586, 177 U.S.P.Q. 573 (CCPA 1973)	43
<i>Han Beauty, Inc. v. Alberto-Culver Co.</i> , 236 F.3d 1333, 57 U.S.P.Q.2d 1557 (Fed. Cir. 2001)	47
<i>Hydro-Dynamics, Inc. v. George Putnam & Co.</i> , 811 F.2d 1470, 1 U.S.P.Q.2d 1772 (Fed. Cir. 1987)....	38
<i>In re Dixie Restaurants, Inc.</i> , 105 F.3d 1405, 41 U.S.P.Q.2d 1531 (Fed. Cir. 1997).....	43
<i>In re E.I. du Pont de Nemours & Co.</i> , 476 F.2d 1357, 177 U.S.P.Q. 563 (CCPA 1973).....	43
<i>In re International Telephone and Telegraph Corp.</i> , 197 U.S.P.Q. 910 (TTAB 1978).....	45
<i>In re Majestic Distilling Co., Inc.</i> , 315 F.3d 1311, 65 U.S.P.Q.2d 1201 (Fed. Cir. 2003).....	48
<i>In re Mark Thomas</i> , 79 U.S.P.Q.2d 1021 (TTAB 2006).....	47
<i>In re Shell Oil Co.</i> , 992 F.2d 1204, 26 U.S.P.Q.2d 1687 (Fed. Cir. 1993).....	49
<i>In re Smith and Mehaffey</i> , 31 U.S.P.Q.2d 1531 (TTAB 1994)	45
<i>Jockey Int'l, Inc. v. Mallory & Church Corp.</i> , 25 U.S.P.Q.2d 1233 (TTAB 1992).....	43
<i>King Candy Co. v. Eunice King's Kitchen, Inc.</i> , 496 F.2d 1400, 182 U.S.P.Q. 108 (CCPA 1974)	39
<i>Lincoln Logs, Ltd. v. Lincoln Pre-Cut Log Homes, Inc.</i> , 971 F.2d 732, 23 U.S.P.Q.2d 1701 (Fed.Cir. 1992).....	42
<i>Medinol Ltd. v. Neuro Vasx Inc.</i> , 67 U.S.P.Q.2d 1205 (2003).....	48
<i>Monsanto Co. v. Enviro-Chem Corp.</i> , 199 U.S.P.Q. 590 (TTAB 1978).....	45
<i>Nautilus Group, Inc. v. Icon Health & Fitness, Inc.</i> , 372 F.3d 1330, 71 U.S.P.Q.2d 1173 (Fed. Cir. 2004).....	44
<i>Oshman's Sporting Goods, Inc. v. Highland Import Corp.</i> , 16 U.S.P.Q.2d 1395 (TTAB 1990).....	41
<i>Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772</i> , 396 F.3d 1369, 73 U.S.P.Q.2d 1689 (Fed. Cir. 2005).....	47
<i>Phillips Petroleum Co. v. C.J. Webb, Inc.</i> , 442 F.2d 1376, 170 U.S.P.Q. 35 (CCPA 1971).....	43
<i>Planetary Motion Inc. v. Techsplosion Inc.</i> , 261 F.3d 1188, 59 U.S.P.Q.2d 1894 (11th Cir. 2001).....	40
<i>Proctor & Gamble Co. v. Johnson and Johnson, Inc.</i> , 485 F. Supp. 1185, 205 U.S.P.Q. 697 (S.D.N.Y. 1979)	39
<i>Recot, Inc. v. M.C. Becton</i> , 214 F.3d 1322, 54 U.S.P.Q.2d 1894 (Fed. Cir. 2000).....	46
<i>Rivard v. Linville</i> , 133 F.3d 1446, 45 U.S.P.Q.2d 1374 (Fed. Cir. 1998)	40
<i>TBC Corp. v. Holsa Inc.</i> , 126 F.3d 1470, 44 U.S.P.Q.2d 1315 (Fed. Cir. 1997)	49
<i>Time Warner Ent. Co. v. Jones</i> , 65 U.S.P.Q.2d 1650 (TTAB 2002).....	46
<i>Trek Bicycle Corp. v. Alyx Fier</i> , 56 U.S.P.Q.2d 1527 (TTAB 2000).....	47

Statutes

15 U.S.C. § 1052(d).....	v
15 U.S.C. § 1127	40, 41

Other Authorities

2 <i>McCarthy, Trademarks and Unfair Competition</i> § 11:88 (4 th ed. 2001).....	47
3 <i>McCarthy, Trademarks and Unfair Competition</i> § 23:59 (4 th ed. 2006).....	44
Gilson, <i>Trademark Protection and Practice</i> § 5.05	39
Lanham Act §2(d).....	41

ISSUE PRESENTED

Whether Carolina's proposed SC mark for collegiate apparel sufficiently resembles California's previously used and registered SC mark for collegiate apparel and other collegiate merchandise as to be likely to cause confusion, mistake, or deception under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), particularly in light of California's wide recognition as "SC" and long use of that mark for collegiate apparel and other collegiate merchandise and Carolina's lack of any material previous use of any SC mark.

DESCRIPTION OF THE RECORD

(indicates evidence provided to the Board in color)*

A. OPPOSER'S EVIDENCE

Opposer has made the following evidence of record:

1. Testimony Deposition of Elizabeth A. Kennedy taken December 21, 2005, and Opposer Exhibits 1-15* / Applicant's Exhibits 1-6*;
2. Testimony Deposition of Dan Stimmler taken December 22, 2005, and Opposer Exhibits 16-19* / Applicant's Exhibits Ex. 7*;
3. Testimony Deposition of Kenneth H. Taylor taken March 3, 2006, and Opposer Exhibits 328-351* / Applicant's Exhibits 23-49*;
4. Opposer's Notice of Reliance No. 1, and Exhibits 20-26*;
5. Opposer's Notice of Reliance No. 2, and Exhibits 27-47*;
6. Opposer's Notice of Reliance No. 3, and Exhibits 48-65;
7. Opposer's Notice of Reliance No. 4, and Exhibits 66-78;
8. Opposer's Notice of Reliance No. 5, and Exhibits 79-162*;
9. Opposer's Notice of Reliance No. 6, and Exhibits 163-192;
10. Opposer's Notice of Reliance No. 7, and Exhibits 193-222;
11. Opposer's Notice of Reliance No. 8, and Exhibit 223*;
12. Opposer's Notice of Reliance No. 9, and Exhibit 224;
13. Opposer's Notice of Reliance No. 10, and Exhibits 225-239*;
14. Opposer's Notice of Reliance No. 11, and Exhibits 240-246;
15. Opposer's Notice of Reliance No. 12, and Exhibits 247;
16. Opposer's Notice of Reliance No. 13, and Exhibits 248-249*;
17. Opposer's Notice of Reliance No. 14, and Exhibits 250-251;
18. Opposer's Notice of Reliance No. 15, and Exhibits 252-253*;
19. Opposer's Notice of Reliance No. 16, and Exhibits 254-255;
20. Opposer's Notice of Reliance No. 17, and Exhibit 256;
21. Opposer's Notice of Reliance No. 18, and Exhibits 257-276*;
22. Opposer's Notice of Reliance No. 19, and Exhibits 277-281*;
23. Opposer's Notice of Reliance No. 20, and Exhibits 282-295*;
24. Opposer's Notice of Reliance No. 21, and Exhibits 296-297;
25. Opposer's Notice of Reliance No. 22, and Exhibits 371-388*;
26. Opposer's Notice of Reliance No. 23, and Exhibits 389-406*;
27. Opposer's Notice of Reliance No. 24, and Exhibits 407-418;
28. Opposer's Notice of Reliance No. 25, and Exhibit 419;
29. Opposer's Notice of Reliance No. 26, and Exhibits 420-424;
30. Opposer's Notice of Reliance No. 27, and Exhibits 425-428.

B. APPLICANT'S EVIDENCE

Applicant has made the following evidence of record:

1. Testimony Deposition of C. "Kit" Walsh taken March 1, 2006, and Applicant's Exhibits 8-13* / Opposer's Exhibits 298-314*;
2. Testimony Deposition of Elizabeth C. West taken March 2, 2006, and Applicant's Exhibits 14-22* / Opposer's Exhibits 314-327*;
3. Testimony Deposition of Kenneth M. Corbett taken March 3, 2006, and Applicant's Exhibits 50-87* / Opposer's Exhibits 352-370*;
4. Applicant's Notice of Reliance No. 1, and Exhibits 88-89;
5. Applicant's Notice of Reliance No. 2, and Exhibit 90;
6. Applicant's Notice of Reliance No. 3, and Exhibits 91-105*;
7. Applicant's Notice of Reliance No. 4, and Exhibits 106-147*;
8. Applicant's Notice of Reliance No. 5, and Exhibits 148-156;
9. Applicant's Notice of Reliance No. 6, and Exhibits 157-164*;
10. Applicant's Notice of Reliance No. 7, and Exhibits 165-168;
11. Applicant's Notice of Reliance No. 8, and Exhibit 169;
12. Applicant's Notice of Reliance No. 9, and Exhibits 170-171;
13. Applicant's Notice of Reliance No. 10, and Exhibits 172-209*;
14. Applicant's Notice of Reliance No. 11, and Exhibit 210;
15. Applicant's Notice of Reliance No. 12, and Exhibits 211-212;
16. Applicant's Notice of Reliance No. 13, and Exhibits 213-214*;
17. Applicant's Notice of Reliance No. 14, and Exhibit 215*;
18. Applicant's Notice of Reliance No. 15, and Exhibits 216;
19. Applicant's Notice of Reliance No. 16, and Exhibits 217-357;
20. Applicant's Notice of Reliance No. 17, and Exhibits 358-372;
21. Applicant's Notice of Reliance No. 18, and Exhibit 373;
22. Applicant's Notice of Reliance No. 19, and Exhibits 374-380*;
23. Applicant's Notice of Reliance No. 20, and Exhibits 381-382*;
24. Applicant's Notice of Reliance No. 21, and Exhibits 383-386;
25. Applicant's Notice of Reliance No. 22, and Exhibits 387-391*;
26. Applicant's Notice of Reliance No. 23, and Exhibits 392-401*;
27. Applicant's Notice of Reliance No. 24, and Exhibit 402;
28. Applicant's Notice of Reliance No. 25, and Exhibits 403-405*;
29. Applicant's Notice of Reliance No. 26, and Exhibits 406-425*;
30. Applicant's Notice of Reliance No. 27, and Exhibits 426-443*;
31. Applicant's Notice of Reliance No. 28, and Exhibits 444-458*.

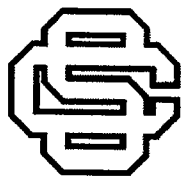
C. JOINT EVIDENCE

Opposer and Applicant have made the parties' Stipulations of Fact that were filed with the Board on December 29, 2005 of record in this case.

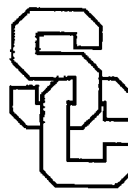
I. INTRODUCTION

Opposer University of Southern California (“California” or “Opposer”) is nationally known both verbally and visually as SC, and SC is the University of Southern California’s principal athletic mark. [See, e.g., Opposer’s Exhibit (“O-Ex”) 247.9; see generally Section II(A)(1) *infra*.] When a newspaper in Hartford, Connecticut quotes a college football coach as saying “We’re excited about the SC game,” that coach is referring to Opposer University of Southern California. [O-Ex. 206.2; see generally O-Exs. 163-222 (sample newspaper articles).] California has continuously used one form or another of SC as its principal athletic mark for more than a hundred years.

Consistent with the centrality of the SC mark at California and California’s pioneering role in collegiate licensing, California has long licensed various forms of that nationally-recognized mark for use on collegiate apparel and other collegiate merchandise. Among the various forms of its SC mark that California licenses, California since at least 1978 has continuously licensed hats, t-shirts, other collegiate apparel and other collegiate merchandise using an interlocking (or overlay) form of SC that California calls the Baseball Interlock. Moreover, in 1993 California developed an additional variation of the SC mark that California calls the “Athletic Interlock.” Since 1994, California has continuously licensed the Athletic Interlock for hats, t-shirts, collegiate apparel, and other collegiate merchandise. California’s Baseball Interlock and Athletic Interlock forms of SC are reflected below:



California's Baseball Interlock



California's Athletic SC Interlock

In reflection of the centrality of the SC mark and California’s licensing efforts in connection therewith, California in 1990 applied for and ultimately received a registration for SC in typed form that covers hats, t-shirts, other collegiate apparel, and other collegiate merchandise. California’s Registration No. 1,844,953 is valid, subsisting, and incontestable. In addition, California applied for a second registration specifically for the Athletic Interlock, which issued in 2003 as Registration No. 2,683,137.

Applicant University of South Carolina (“Applicant” or “Carolina”) appears to have begun a licensing program around 1983 to produce collegiate apparel and other collegiate merchandise under its marks. [O-Ex. 282.6 (earliest evidence of licensing).] However, while Carolina licensed a variety of marks between 1983 and 1997, it is clear that Carolina never sought to license any form of SC mark before 1997. [See, e.g., O-Ex. 283.7, 284.8, 285.9, 287.7, 288.8; see generally Section II.C.1 *infra*.] This reflects the fact that Carolina has traditionally relied upon other athletic marks, principally the “Block C,” “USC,” and “Carolina” in addition to the team name, “Gamecocks.” The record is quite clear that Carolina historically has used forms of SC only for limited periods (and in inconsistent fashions) – and Carolina has gone through long periods (lasting more than thirteen years on at least three occasions) without any intention of using SC to refer in any way to the University of South Carolina as an institution. Among other gap periods, the record reflects a gap period for the 17 years between 1974 and 1991 during which Carolina did not use any form of SC mark in any way to identify itself.

In 1997, Carolina began using an interlocking (or overlay) form of SC in connection with its baseball team. This form of the SC mark is a virtually exact copy of a form that California used earlier in its history. [O-Exs. 89.2, 94.4, 95.2; see also 30.3 and 30.6.] Carolina began licensing the Carolina baseball form of SC in 1997, and much more recently, Carolina has extended the licensing to t-shirts, shorts, and uniforms (among other goods). Carolina uses many of the same licensees as California and Carolina’s goods are sold by such licensees to many of the same retailers (and all of the same types of retailers). California and Carolina’s goods are both sold by mass merchandisers like Wal-Mart, mid-tier mass retailers like JCPenney, high end sporting goods specialty stores like Foot Locker and Finish Line, big box sporting goods stores like Sportmart, giftware and memorabilia stores like The Pro Image and Hatworld/Lids, home furnishing stores like Bed Bath and Beyond, home improvement stores like Home Depot and online retail outlets. The Carolina baseball form of the SC mark appears as follows:



Carolina's Version of SC Mark

In September 1997, Carolina submitted a use-base application for the Carolina baseball form of SC in connection with hats, t-shirts, shorts, and uniforms. The application is not limited in any way as to channels of trade. The application recites a first-use date for the mark of January 1997 and a first use date for all of the goods as of same alleged January 1997 date. California filed a timely opposition.

This is a simple case. Carolina seeks to use a variant of California's nationally known SC mark, on the same collegiate apparel sold by California, sold through the same channels of trade. The parties have stipulated to the fact that Carolina's mark is a form of SC and means "SC." As a matter of law, Carolina's proposed mark is precluded by California's registration of SC in typed form for collegiate apparel and other collegiate merchandise. As a matter of fact, Carolina's proposed mark is a form of California's nationally known SC mark. Carolina's proposed mark is not only confusing given the general identity of California as SC, but the proposed stylization is also confusingly similar to California's pre-existing interlocking/overlay stylizations. Moreover, even if the marks were not exactly identical or exceedingly close (and they are), the fact that the marks are used on the same goods through the same channels of trade would be enough to doom Carolina's application. Carolina had successfully used the Block C in connection with its baseball team for decades; there was no reason that Carolina needed to adopt or merchandise any form of SC as a mark. As the junior user (who was well aware of California's mark), Carolina had an obligation to avoid confusion. This Carolina manifestly failed to do, and the Board should grant judgment in California's favor.

II. FACTUAL BACKGROUND

A. The University of Southern California Has Long Been Known as SC

1. California Is Known as SC Verbally as Well as Visually

Unlike a design mark which is perceived only visually and for which the particular stylization may be paramount, the University of Southern California is frequently known in both spoken and written English as "SC."

a. There Is Overwhelming Evidence from Periodicals Around the Country that California Is Generally Known Verbally as SC

For the calendar year of 1996 (the year before Carolina's opposed application was filed) and the calendar year of 2005 (the last full calendar year), Opposer has reviewed the myriad of articles available

from both Lexis-Nexis and its own files. For each of those sample years, Opposer has selected thirty sample articles from around the nation which demonstrate that publishers routinely refer to the University of Southern California as “SC” in the text of the articles and moreover that such publishers routinely quote interview subjects as referring to the University of Southern California as “SC.” [O-Exs. 163-222.] These articles range from national periodicals like *Sports Illustrated*, *The Associated Press*, *Southwest Airlines Spirit* in-flight magazine and *USA Today* to regional periodicals including (among many others) the *San Antonio Express-News*, the *Seattle Post-Intelligencer*, *The Seattle Times*, the *Chicago Tribune*, the *Chicago Sun-Times*, *New York Daily News*, the *Orlando Sentinel*, the *St. Petersburg Times* (Florida), *The Boston Globe*, the *The Washington Times*, *The New York Post*, and *The Miami Herald*. [See e.g., O-Exs. 165, 179-80, 195, 201, 168, 176, 166, 177, 170, 173, 189, 185, 194, 205, 218, and 214, respectively.]

These periodicals show that writers directing their text at a general audience regularly refer to the University of Southern California as “SC,” including at least one column by a regular writer in the *Chicago Tribune* observing that “SC” was one of the recognized ways of referring to the institution. [O-Ex. 193.] These sixty articles also show that publishers routinely quote a wide variety of sources who referred to Opposer as “SC” in their printed quotes. [See, e.g., O-Exs. 165.1 (*Sports Illustrated* article quoting a high-school player saying “I’m still going to SC”); 167.6 (*Omaha World Herald* article quoting an opposing coach saying “When SC won five [collegiate world series championships] in a row, there were no scholarship limitations.”); 174.1 (*Charlotte Observer* article quoting opposing coach “I told them that someday, some Cal team is going to beat SC.”); 176.1 (*Seattle Post-Intelligencer* article quoting University of Washington player as saying “Everyone hates SC Everyone wants to bother SC.”); 178.1 (*Idaho Lewiston Morning Tribune* article quoting Washington State University player as saying “I’ve wanted to beat SC so bad. It’s been five years, and it seems like SC has always turned our season around (for the worse).”); 179.2 (*The Associated Press* article quoting Notre Dame offensive tackle Mike Rosenthal as saying “Now we’re just ready to get ready for SC this week.”); 200.1 (*The Detroit News* article quoting Texas Longhorns wide-receiver Roy Williams as saying “I don’t see them doing it. SC is good, but they don’t want to see Texas.”); 206.2 (*Hartford Courant* article quoting Fresno State coach Pat

Hall, “We’re excited about the SC game”); 220.2 (*The Denver Post* article quoting California booster Charles Morris, “We’re yelling ‘We are SC!’ We pump up our team as they come out.”).]

The use of SC in periodicals of general publication to refer specifically to the University of Southern California dates back at least as far as 1955. [O-Ex. 110.] It continues to the present day, in use by broadcasters as well as print journalists. [See, e.g., O-Exs. 224-225; and Opposer’s Notice of Reliance (“NOR”) Nos. 8 and 9.]

b. California’s Witnesses and Carolina’s Witness Confirm that the University of Southern California Is Known Verbally as “SC”

California’s employees confirmed that Opposer is known in general parlance as “SC.” California’s first witness was Elizabeth Kennedy, Director of Trademarks and Licensing for the University of Southern California. [Testimony Deposition of Elizabeth Kennedy (“TD-Kennedy”) 8:13-18.] Ms. Kennedy has been working at California since 1988. [TD-Kennedy 9:23-25.] Ms. Kennedy testified that it is common for individuals to refer to the University of Southern California as “SC” and has been common for her entire experience at California. [TD-Kennedy 51:14-52:6.]

California’s second witness was Dan Stimmler. Mr. Stimmler was a student at California who started working for the University of Southern California bookstore in 1990 and has worked his way up from catalog sales through clothing sales through bookstore management to be Associate Vice President with responsibilities (among other things) for the university’s bookstores. [Testimony Deposition of Dan Stimmler (“TD-Stimmler”) 4:15-7:14, 43:5-7.] Mr. Stimmler confirmed that in his experience as a life-long fan, a student at California, and an employee at California, “people use ‘SC’ as a way to denote the university.” [TD-Stimmler 38:12-16; see also TD-Stimmler 38:17-22 (explaining verbal uses of “SC” to denote California as an institution).]

Likewise, Carolina’s own witness confirmed that Opposer is known verbally as “SC.” Carolina called the Senior Vice Present for Marketing for the Collegiate Licensing Company (“CLC”) as one of its three witnesses. [Testimony Deposition of C. “Kit” Walsh (“TD-Walsh”) 5:17-23, 9:9-12.] CLC is the exclusive licensing agent for Carolina, meaning that any product using Carolina’s trademarks must be licensed through CLC. [Stipulations of Fact (“StipFact”) ¶¶ 51-52; Discovery Deposition of Kenneth M. Corbett (“DD-Corbett”) 13:17-14:4 at O-Ex. 252.5-6; *id.* 69:23-70:7 at O-Ex. 252.19-20; *id.* 98:14-99:20

at O-Ex. 252.29-30.]. Mr. Walsh has worked in collegiate licensing since 1993. [TD-Walsh 5:24-6:1.] When asked whether his experience was that people referred to the University of Southern California as “SC,” Mr. Walsh confirmed that this was his experience. [TD-Walsh 72:17-19.]¹

c. California’s Identity as SC Is Enshrined at the Heart of the School’s Athletic Identity

The verbal use of SC as part of the core identity of the University of Southern California dates back at least as far as 1922, when it was enshrined in the lyrics of California’s primary athletic fight song, “Fight On!” The lyrics are as follows: Fight on! / for ol’ SC / Our men Fight on, / to victory. / Our Alma Mater dear, / looks up to you! / Fight on and win / For ol’ SC / Fight on! / To victory / Fight on! [O-Ex. 14.2; *see also* O-Exs. 157.9, 162.8.]

2. The University of Southern California Has Consistently Used Various Forms of SC as the School’s Primary Mark for Athletics Since At Least 1898

a. The Earliest Documents at the University of Southern California Show Various Forms of SC as the Primary Athletics Mark

The “El Rodeo” is the University of Southern California yearbook, and the first edition of that yearbook is from 1898. [O-Ex. 20.1.] That 1898 yearbook confirms that an SC logo was the “University Monogram” no later than 1897-1898. [O-Ex. 20.2.] Likewise, the 1907-1908 Varsity Handbook for the University of Southern California notes that “[t]he official athletic monogram is a square block S on a square block C.” [O-Ex. 21.1-2.] Student-athletes who perform particularly well have always been granted the right to wear the letters SC. [O-Exs. 21.2, 94.3.]

The 1925 Athletic Code for the University of Southern California reflects an evolution of that single SC into a variety of interlocking SC logos used with different California athletic teams. [O-Ex. 22.1-2.] Nevertheless, the common feature of all five variations of SC is that they are all forms of California’s SC mark. [*Id.*]

¹ In this regard, Mr. Walsh’s testimony regarding the relationship between the University of Southern California and SC is on par with his testimony about several other nationally-known institutions. [*See generally* TD-Walsh 72:20-73:5, 86:14-88:10 (similar testimony for George Washington University (“GW”); Boston College (“BC”); University of Kansas (“KU”); University of Oklahoma (“OU”); Florida State University (“FSU”); Louisiana State University (“LSU”); Brigham Young (“BYU”); Texas Christian University (“TCU”); New York University (“NYU”); and Southern Methodist University (“SMU”).)]

b. Photos of the University of Southern California Sports Teams Dating Back to 1904 Show that the University Has Consistently Used Various Forms of SC as part of the Standard Team Uniforms for Its Athletics Programs

As reflected in the documents submitted to the Board with Opposer's NOR No. 5, the University of Southern California has consistently used various forms of the letters SC as part of its athletic program since at least 1904. [O-Ex. 79-162; *see also* Opposer's NOR Nos. 8 and 9.] Those forms have ranged from the letter "S" in the middle of a "C," to a larger rounded "S" interlocking a smaller rounded "C," to a gothic SC, to a larger block "S" interlocking a smaller block "C", to a more uniform interlocking "S" and "C." [See, e.g., O-Exs. 79.2, 81-84, 85-86, 101-103, 127-130.] However, once again, the common feature of all the variations of SC is that they are forms of California's SC mark.

In terms of specific variations, the exhibits in Opposer's NOR No. 5 show that California's baseball team has consistently used one specific stylization of the SC mark since at least 1958. [O-Exs. 114.6, 116.2, 117.2, 119.1, 124.2, 126.2-4, 127.2, 128.1-5, 129.1-2, 130.1-4, 131.1-4, 133.1-4, 134.1, 135.2, 136.1-10, 137.1, 139.1, 144.1, 145.1-4, 146.1-2, 152.1-2, 153.1, 155.2-3, 158.4, 159.1-9, 162.1-9, 223.23, 223.38.] Although the use of this particular stylization has not been limited exclusively to the baseball team, California refers to this particular stylization as the "Baseball Interlock." [TD-Kennedy 14:7-20.]

In addition to the Baseball Interlock, California has adopted another specific stylization of SC that it now uses with many of its sports teams. This second particular stylization was introduced around 1993 and is covered by California's U.S. Trademark Reg. No. 2,683,137. [See also O-Exs. 138.2, 141-143, 145-157, 160-161.] California refers to this second stylization as the "SC Interlock" or the "SC Athletic Interlock." [TD-Kennedy 14:7-23.]

c. Among the University of Southern California's Historic Variations of SC is One Essentially Identical to Carolina's Proposed SC Stylization

Among the various stylizations of its SC mark that California has used, California has in the past used an SC stylization that is virtually identical to Carolina's proposed SC stylization. In other words, Carolina's proposed stylization of the SC mark is a virtual copy of California's historic use by California

cheerleaders from at least 1915 to 1919. [O-Exs. 89.2, 94.4, 95.2; *see also* 30.3 and 30.6 (1980 gift catalog with pictures of early cheerleaders).]

d. The University of Southern California's Athletic Teams Have Been Nationally Successful Under the SC Banner

The University of Southern California has won 12 national championships in baseball. [O-Exs. 116.1-2, 119.1 (4 national baseball championships by 1966), 127.1 (11 national championships by 1980), 131.1 (listing years of 11 national championships), 152.1 (reflecting 1998 national championship), 155.3 ("Southern California's 12 national titles are more than twice as many as any other school"), 159.1-9, 161.13, 162.2-4.] California won its second national championship in 1958, which was after California had adopted the Baseball Interlock for its baseball team. This means that at least eleven of California's baseball championships were won under the specific SC stylization known as the Baseball Interlock.

In addition, California has one of the most successful football programs in American history. This football program has also consistently used one form or another of SC including the "Athletic Interlock" since at least 1994. [O-Exs. 81, 94.3, 113, 121, 132, 138, 151, 156, 157, 160, 161, 223, 224 (DVD entitled *Trojans SC The History of USC Football*); *see also* NOR Nos. 8 and 9 generally.]

California has won eleven national football championships, in addition to five more years where California was ranked national champion by at least one legitimate poll. [O-Ex. 160.1, 160.8.] As of 2005, California had appeared in 29 Rose Bowl games, winning 21 of those games. [*Id.* at 160.3.] Not including the 2005 award to California player Reggie Bush, six California players have won Heisman trophies as the most outstanding athlete in college football. [Opp. 160.1.] As of the end of the 2003 football season, California had played football before at least 49.6 million people. [Opp. 161.11.]

Due both to its success and the attention shown to collegiate football, California's football team has received national media attention. California set a national record in 1987 by appearing on six live national regular season network telecasts. [O-Ex. 161.8.] In December 1988, Sports Inc. noted that California was a part of seven of the top twelve rated nationally televised games. [*Id.*]

In addition, California's track and field teams won at least 23 NCAA championships before 1967. [O-Ex. 120.] California's track and field teams have also consistently used some form of SC. [O-Exs. 82, 85-88, 91, 94.3, 94.5, 94.6, 96.2, 99.2, 100.4, 102.2, 104, 106, 108, 120, 122, 140, 161.13.]

In total, as of 2004, California had won at least 104 national collegiate titles. [O-Ex. 161-13.]

B. The University of Southern California Has Long Sold Collegiate Goods Under Its SC Mark Through Various Channels of Trade Including Sporting Goods Stores, Sports Specialty Stores, and Mass Merchandisers

1. The University of Southern California Has Sold a Wide-Variety of Collegiate Goods Bearing Its SC Mark Through Its Catalogs and Multiple On-Campus and Off-Campus Bookstore Locations Since At Least 1976

Opposer's NOR No. 2 contains copies of portions of the University of Southern California catalogs from 1976-2004. [O-Exs. 27-47.] Those portions of the catalogs show that the University of Southern California has been merchandizing goods bearing its SC logo consistently since 1976.² [*Id.*]

The exhibits also show that California has been selling the SC logo on a wide variety of goods. Since at least 1976, this has included the Baseball Interlock on hats. [*See, e.g.*, O-Exs. 27.3, 27.4, 28.6, 29.2, 29.8, 30.5, 32.2, 34.2, 35.2, 36.3, 36.5, 40.3, 40.6, 41.8, 42.4, 42.5, 42.10, 43.2, 43.4, 43.10, 44.5, 44.15, 45.2, 46.17, 47.18.] The catalogs further demonstrate that since at least 1977, California has been selling various forms of the SC mark on shirts. [*See, e.g.*, O-Exs. 28.3, 28.7, 29.2, 29.5, 30.6, 31.3, 35.3, 36.2, 37.2, 37.3, 37.6, 38.4, 39.5, 39.7, 40.2, 40.4, 40.5, 41.3, 41.5, 42.3, 42.7, 43.8, 44.2, 44.4, 45.2, 45.10, 45.11, 46.4, 46.10, 47.2, 47.3, 47.8, 47.11.] Moreover, the catalogs demonstrate that California has also sold numerous other apparel items under the SC marks, starting at least as early as 1978. Such items include booties, caps, jackets (both sports and letterman), jerseys, pants, rompers, shorts, socks, sweatpants, sweatshirts, ties, varsity sweaters, and visors. [*See, e.g.*, O-Exs. 28.4, 29.4, 29.8, 31.4, 32.3, 34.3-4, 36.2, 36.4, 37.2-37.5, 38.1, 38.3, 39.2, 40.2, 40.3, 40.7, 41.1-41.3, 41.5-41.6, 42.2-42.3, 42.7-42.8, 43.7, 43.8, 43.10, 43.13, 44.2-44.5, 44.15, 45.9, 45.12-45.13, 46.2, 46.6-46.7, 46.10-46.11, 46.14, 47.5, 47.7-47.18.] Similarly, the catalogs demonstrate that California has used the SC mark on numerous other collegiate goods for decades, including "We Are SC" pins and buttons dating back to 1976 [O-Exs. 27.5, 28.5, 29.6, 29.7]; license plate frames dating back to 1982 [O-Ex. 31.2]; and other merchandise such as golf bags, commemorative coins, glassware and mugs, BBQs, statues, pennants, key chains, golf clubs,

² It should be noted that California's catalogs only represent a portion of the merchandise offered by California in its retail stores at any given time. [TD-Stimmler 24:11-25:9.]

seat cushions, sporting goods, ornaments, blankets, totes, calendars, doormats, towels, umbrellas, neon lights, chairs, cushions, duffle bags, aprons, playing cards, toys, decals, etc.... [See, e.g., O-Exs. 41-47.]

The catalogs are sent to 250,000 to 300,000 individuals around the country each year. [TD-Stimmler 24:20-22.] Although California has not been able to locate records from before 1992, the record does reflect the fact that California has been sending its catalog to more than a quarter of a million people each year since at least 1992. [TD-Stimmler 24:23-25:4.]

In addition to the catalog sales, the University of Southern California maintains a number of physical locations where it sells merchandise bearing the SC mark. [TD-Stimmler 26:15-27:5.] Those include locations not only on the university campus itself, but also at least one location in a mall in the county south of the university itself. [TD-Stimmler 12:11-19 (describing California's location at the South Coast Plaza mall); 26:19-27:18 (same).] Beyond these four physical locations, California has set up previous retail stores elsewhere in California including locations as far away as Sacramento. [TD-Stimmler 27:19-28:16.] Those additional locations were not merely carts within a mall, but were physical storefronts ranging from 1,500 square feet to 4,000 square feet. [TD-Stimmler 28:5-10.] The stores typically include at least the same merchandise available in the catalog. [TD-Stimmler 51:18-21.]

Moreover, California maintains an online retail website for the University of Southern California Bookstore through which California sells a wide variety of SC branded goods. [TD-Stimmler 31:18-32:1, 53:1-15; O-Exs. 18, 230.] California has made information about its products available through the Internet since approximately 1996-1997. [TD-Stimmler 53:3-15.] California began doing fulfillment over the Internet soon thereafter, between 1998 and 2000. [*Id.* 44:23-45:10.]

2. The University of Southern California Has Also Authorized Sales of Its Goods Through a Wide Variety of Other Channels of Trade Such as Sporting Goods Stores, Sports Specialty Stores, and Mass Market Retailers Since at Least 1988

California merchandises goods bearing its SC mark in two primary ways. One way (discussed at greater length below) is through a private label program called "Team Trojan" whereby California designs products, has them manufactured directly under the University's auspices, and wholesales those

products to third parties such as the sporting goods stores Chick's Sporting Goods and Sport Chalet, as well as sales to California's own bookstore. [TD-Stimmler 8:18-9:17, 21:11-22:8.]

The second way is through manufacturers who are licensed by California. [TD-Kennedy 8:16-9:12; O-Ex. 25.] California's licensing program was established in 1976 and was one of the first collegiate licensing programs in the nation. [O-Ex. 25.1] Licensed manufacturers receive California's approval for their designs, and those manufacturers then wholesale the products to retailers in channels of trade that have been authorized by California. [TD-Kennedy 13:20-14:1, 24:15-25:6.]

California's goods are sold in retail stores comprising virtually all sectors of the retail marketplace, including mass merchandising outlets (such as Wal-Mart, K-Mart, Target, Sam's Club, Costco, and swap meets), mid-tier mass retailers (such as JCPenney, Mervyn's, Kohl's, Sears, and Gottschalks), premium high-end fashion boutiques (such as Nordstrom and Fred Segal), high end sporting goods specialty stores (such as Foot Locker, Champs Sports, Chick's and Sport Chalet), giftware and memorabilia stores (such as Sports Treasures and The Pro Image), sporting goods stores (such as Sports Authority, Lids, and Hat World), big box sporting goods stores (such as Sportmart, Dick's Sporting Goods, and Big 5 Sporting Goods), home furnishing stores (such as Bed Bath and Beyond and Linens n' Things), home improvement stores (such as Lowe's and Home Depot), college bookstores, and online retail outlets. [TD-Kennedy 21:15-24:14; *see also* O-Exs. 66-78 (royalty reports from licensees showing specific retail stores).]

a. Although California Uses a Variety of Trademarks (Including Multiple Variations on Its SC Mark), It Sells Goods Bearing the SC Marks Through the Same Range of Channels as Its Other Goods

California typically licenses more than one single trademark to a licensee. [TD-Kennedy 18:8-13.] California's trademark portfolio includes "USC," "TROJANS" and others along with SC. [O-Exs. 24.8, 23.1.] Most of these marks are specifically identified in California's *Artwork Guidelines for Licensees* manual. [O-Ex. 24.] While California does license more than just SC, SC is one of the core marks in California's trademark portfolio. [O-Ex. 24.8-14, Ex. 23 (1991 logo sheet including SC).] California licenses the Athletic Interlock form of its SC mark to almost two hundred different licensees. [O-Ex. 1.1-4.] California licenses the Baseball Interlock form of its SC mark to at least eight licensees,

including Nike and New Era. [O-Ex. 1.5.] In addition to these two specific forms, California licenses the letters SC in various fonts and products of all dimensions. [TD-Kennedy 15:19-23; *see also e.g.* O-Exs. 36.2, 37.2-3, 37.6, 38.3-4.] California has been licensing alternative forms as well as the established Baseball Interlock (and later the Athletic Interlock) for as long as California's licensing director can remember. [TD-Kennedy 27:12-16, *id.* 62:21-25.] The SC mark, in all its derivations, is part of California's athletic collection, and is licensed to numerous licensees in connection with "almost every conceivable type of good." [O-Ex. 1; TD-Kennedy 17:20-20:22.]

California's channels of trade for goods bearing its SC marks are generally as expansive as its channels of trade for other marks. In apparel, Nike is one of California's primary licensees for the SC mark and has been licensed since the mid-1990s. [O-Exs. 48.4, 54.] Nike sells to a wide variety of stores including mass merchandisers like Ross Stores, Marshalls and TJ Maxx. [*See, e.g.*, O-Ex. 67.8-10.] In addition, Nike sells to mid-tier mass stores like JCPenney and Robinsons-May; sporting goods stores like Hibbett Sports, Finish Line, Foot Locker, Dunham's Sports, Champs Sports, Chick's Sporting Goods, Sportmart, Sport Chalet, Scheels, Big 5 Sporting Goods, Gart Sports, Oshman Sporting Goods, and Eastbay; and sport specialty stores like Sports Fan-Attic, Sports Station, Front Row Sports, Legends, Sports Treasures, Hatword/Lids, Pro Image, Fanzz, Sport Seasons, and Hat Shack (among many others). [O-Exs. 76.119-29, 76.158-68, 76.118-19, 76.108.09, 76.111-13, 76.107-08, 76.14-18, 76.18-103, 76.174-75, 76.10-11, 76.130-31, 76.173-74, 67.39, 67.44, 76.108, 76.176-77, 76.178-82, 76.113-15, 76.129-30, 76.182, 76.118, 76.139-56, 67.34, 76.174, 67.57, consecutively ; *see also generally* O-Ex. 67.]

New Era is another primary apparel licensee for California's SC mark, and has been since at least the late 1980s. New Era has long sold California products to a wide variety of stores including mid-tier mass stores like JCPenney; sporting goods stores like Chick's Sporting Goods, Scheels, and Athlete's Foot, sports specialty stores like Pro Image; and other diverse channels as varied as the Utah Jazz store and Von's supermarkets. [O-Ex. 77.3, 77.34, 77.15, 77.77, 77.4, 77.35 respectively; TD-Kennedy 67:12-19.]

In short, California not only sells other licensed collegiate merchandise through a wide range of channels, but California sells specifically SC branded collegiate merchandise through a wide range of retail channels of trade.

b. California's Goods In General Include Virtually The Entire Range of Products Which Can Be Purchased In Connection with a College or University

In addition to apparel, California's goods include a wide-variety of collegiate merchandise, including gift items, home furnishings, sporting goods, pet products, bedding, linens, food, children's products, barbeque items, auto accessories, jewelry, games, flags, banners, holiday items, office and school supplies, rugs, luggage, sport bags, wallets, umbrellas, and so forth. [TD-Kennedy 19:22-20:22; O-Exs. 41-47; Opposer's federal SC trademark registrations at O-Exs. 296-297; StipFact ¶¶ 37-39.] California has been licensing this wide range of products since before California's current licensing director arrived at the school in 1988. [TD-Kennedy 20:13-22.]

3. The University of Southern California Sells Tens of Millions of Dollars of Merchandise Per Year Through a Wide Variety of Channels of Trade

As noted above, California primarily merchandises goods bearing its trademarks in two ways: through Team Trojan and through outside companies under license from California.

a. California Sells Millions of Dollars in SC Branded Merchandise Through Its In-House Team Trojan Program

During the 1994-1995 academic year, California developed an in-house private label for California-branded merchandise called "Team Trojan." [TD-Stimmler 8:21-9:10.] Unlike merchandise licensed through third parties, California designs Team Trojan products itself, sources those products, and sells those products at the wholesale level to buyers including California's own bookstores and sporting goods chains Chicks' Sporting Goods and Sport Chalet. [*Id.* 9:11-17, 21:11-25.] California separately advertises the Team Trojan goods in addition to the general promotion of the school itself and promotions by the licensees. [*Id.* 11:24-12:10, 13:2-10, 50:22-51:14; O-Ex. 18.] Every Team Trojan clothing item bears California's Athletic Interlock form of California's SC mark. [*Id.* 13:24-15:2; O-Ex. 19.]

Since the beginning of the Team Trojan program during 1994-1995 as an additional private label for California, California has sold hats and t-shirts under that private label. [TD-Stimmler 22:14-19.]

Team Trojan began selling shorts within two years of that (*i.e.* no later than 1996). [TD-Stimmler 22:20-22; O-Ex. 41.3 (1996 catalog offering Team Trojan shorts).] Team Trojan also recently added jerseys as an extension of the private label product line. [TD-Stimmler 18:8-11, 22:9-13.]

Because Team Trojan sells at the wholesale level, California's revenues under the Team Trojan program are wholesale revenues.

Redacted

**b. California Sells Tens of Millions of Dollars in Licensed Merchandise,
Of Which a Sizable Percentage Bears the SC Marks**

When licensing a third party to sell goods under California's marks, California typically licenses the third party to use more than one of California's marks. [TD-Kennedy 18:8-13.] Moreover, while California's licensees report gross sales of all goods bearing California's marks, they do not typically break down their sales by individual mark. [TD-Kennedy 74:9-18.] Therefore, outside of Team Trojan, California cannot identify the amount of wholesale sales of goods bearing the SC mark specifically.

Nevertheless, California can identify the amount of licensing revenue it has received from its licensees in recent years (which amount does not include any funds from Team Trojan sales). [O-Ex. 2; TD-Kennedy 28:14-16.] From this California can extrapolate the wholesale price of those goods, and it can make an estimate of the likely retail value of goods bearing California's marks in general. [TD-Kennedy 30:2-31:2.]

Redacted

Redacted

Based on its experiences with its licensees and its own retailing experience, California can then use these numbers to estimate the likely percentage of the sales which bear the SC mark as opposed to another mark of the University of Southern California. That estimate would be at least 30% beginning around 1992 and presently is about half of all California-licensed products. [TD-Stimmler 50:4-21 (30% interlock at beginning of his experience with California bookstore); TD-Kennedy 36:9-37:3; *see also* TD-Kennedy 51:5-13 (30-50% of headwear bears the Baseball Interlock version of the SC mark).]

4. California Has One Incontestable Registration in Typed Form for Its SC for Use on Collegiate Goods and Another Registration for Its Athletic Interlock Stylization of Its SC Mark

a. Registration No. 1,844,953 Covers the SC Mark in Typed Form on a Wide Variety of Collegiate Goods in All of the Channels of Trade at Issue in This Opposition

Based on an application filed in 1990 and claiming a first use date no later than 1978, Registration No. 1,844,953 covers California's SC mark in typed form. [O-Ex. 296, California's Reg. No. 1,844,953 ("953 Registration").]⁴ The registration applies to four international classes of collegiate

³ It is also worth noting that Carolina developed its proposed mark in the middle of 1996. [See StipFact ¶¶ 45-46, 48 (noting that mark already available internally at Carolina for team photographs in the fall of 1996 for the 1997 spring season).] California was even more successful in 1995-1996,

Redacted

⁴ The ultimate registration contains a typographical error that suggests certain categories have first use dates of 1987. However, the original application clearly sets forth the proper 1978 claim and nothing in the prosecution history of the registration demonstrates any reason why that would have been changed. [O-Ex. 296; A-Ex. 169.]

goods: Int'l Class 6 covering "keyrings of non-precious metals; decorative emblems or plates of non-precious metal, for attachment to autos; art work statuary of non-precious metals;" Int'l Class 18 covering "umbrellas, hand luggage, tote bags, luggage; namely, tote bags, hand luggage, garment bags for travel, and small traveling bags for overnight trips, fanny packs, toiletry bags sold empty, briefcases, back packs;" Int'l Class 24 covering "towels, blankets, cloth pennants, and cloth flags, all goods being offered and sold to persons through university authorized channels of trade;" and Int'l Class 25 covering "sweatshirts and T-shirts." [*Id.*] The '953 Registration is incontestable. [*Id.*]

The registration in typed form was based on California's use of a variety of forms of the SC mark, including the Baseball Interlock form of the SC mark. [Applicant's Exhibit ("A-Ex") 169.72 (reflecting submission of shirt bearing Baseball Interlock to substantiate use); *see also* PTO official file for the '953 Registration for clearer copies of Opposer's specimens.]

The first three classes of goods contain a limitation on the channels of trade to "university authorized channels of trade." [O-Ex. 296.] Both California's Director of Trademarks and Licensing and Carolina's Director of Licensing have confirmed that university authorized channels of trade include sports specialty stores, department stores, and discount stores. [TD-Kennedy 21:15-24:1, 24:15-26:4, 40:12-15; DD-Corbett 82:11-83:3 at O-Ex. 252.22-23; Testimony Deposition of Kenneth W. Corbett ("TD-Corbett") at 86:16-87:6.] Both California and Carolina specifically approve the channels of trade to whom their licensees can sell merchandise, and reject those which are not acceptable. [*Id.*; *see also* DD-Corbett 81:23-82:10 at O-Ex. 252.21-22.] As a result, all of the channels of trade at issue in this case are "university authorized" channels of trade covered by the first three classes of California's '953 Registration for the SC mark in typed form.

The fourth class of goods contains a more restrictive limitation on the channels of trade protected by the registration, to "goods offered and sold at university controlled outlets." [O-Ex. 296.] Notwithstanding California's broad common law rights, the examiner was wary about allowing California to have the additional rights provided by a registration in light of a previous (and since cancelled) registration in the same class. [See A-Ex. 169.58-64 (office action refusing registration in Class 25 based on a stylized SC for knit shirts owned by Snake Creek Manufacturing).] As a result, California agreed

that the affirmative protections of registration would not specifically extend in Class 25 to channels of trade that would have likely included knit shirts from Snake Creek Manufacturing. [See A-Ex. 169.46.]

b. Registration No. 2,683,137 Covers the Athletic Interlock Stylization of the SC Mark on a Wide Variety of Collegiate Goods

Based on California's use of the Athletic Interlock dating back to at least 1993-1994, Registration No. 2,683,137 covers the Athletic Interlock stylization of California's SC mark on a wide variety of collegiate goods. [O-Ex. 297, California's Reg. No. 2,683,137 ("137 Registration").] The '137 Registration covers seven classes of collegiate goods as well as retail services of such goods as follows:

Int'l Class 25: clothing, namely, t-shirts, sweatshirts, polo shirts, warm-up suits, jackets, rain ponchos, sweaters, jerseys, tank tops, shorts, sport shirts, baseball shirts, basketball jerseys, golf sweaters, night shirts, boxer shorts, socks, hats, caps, sport caps, visor caps, beanies and ties;

Int'l Class 12: metal frames for metal license plates; and metallic car emblems;

Int'l Class 16: decals; folders; 3-ring binders; personal organizers; calendars; pencils; pens; erasers; pencil sharpeners, pen or pencil holders; desktop business card holders; note paper; wrapping paper; paper napkins; and paper tablecloths;

Int'l Class 18: umbrellas; luggage, namely, tote bags, hand luggage, garment bags and overnight bags; shoe bags for travel; fanny packs; toiletry bags sold empty; briefcases; backpacks; duffel bags; wallets; business card cases; luggage tags; animal leashes; and dog collars;

Int'l Class 21: porcelain and glass mugs; cups; drinking glasses; shot glasses; commemorative and decorative plates; coasters; paper plates; thermal insulated containers for food or beverage; portable beverage coolers; plastic sports bottles sold empty; and pet bowls;

Int'l Class 24: towels; stadium blankets; cloth pennants; and cloth flags;" and

Int'l Class 28: sporting goods, namely, baseballs, footballs, golf balls, golf tees, golf bags, putters, golf club covers, racket covers, flying discs, and foam fingers; arcade-type electronic video games; playthings, namely, plush toys, and ride-on toys; playing cards."

Int'l Class 35: online retail store services featuring men's, women's and children's clothing, footwear, hats, accessories, sporting goods, gifts, and novelty items.

C. Carolina Has No Relevant Trademark Rights in Any Stylization of SC Much Less This Particular One

1. There Is No Evidence that Carolina Ever Used the SC Mark on Merchandise Before 1997

a. Neither Carolina Nor Its Licensing Agent Has Provided Any Evidence That It Ever Used Any Form of the SC Mark on Merchandise Before 1997

Carolina has used CLC or a predecessor as its exclusive licensing agent since at least 1983. [O-Exs. 282-288.] Authorized products bearing any Carolina mark must be coordinated through CLC. [DD-Corbett 13:17-14:4 at O-Ex. 252.5-6; *id.* 69:23-70:7 at O-Ex. 252.19-20; *id.* 98:14-99:20 at O-Ex. 252.29-30.] The parties have stipulated that Carolina may rely upon product approval forms through CLC as evidence of sales of the product approved in the CLC form. [StipFact ¶ 42.] CLC has provided a number of approval forms in this action, either through its own direct production or via Carolina. [See, e.g., O-Exs. 261-266, 290-295, 362-370; A-Exs. 172-209.] Nevertheless, neither CLC nor Carolina have produced any evidence that Carolina licensed any merchandise bearing any form of SC mark before 1997.

Carolina's Director of Licensing denied any knowledge of Carolina having licensed any product bearing any form of the SC mark that was not otherwise reflected in the documents. [TD-Corbett 64:7-66:6.] In short, there is neither documentary evidence nor competent testimony that would support any claim by Carolina to have any rights in any form of SC in connection with collegiate merchandise.⁵

⁵ At the trial phase, Carolina attempted to introduce evidence through a Carolina university archivist named Elizabeth West that Carolina had sold a "rat hat" to Carolina students in the 1920s and the 1950s. As addressed in California's objections to Ms. West's trial testimony, Ms. West has no personal foundation for her testimony and was merely testifying as to her recollection of documents that Carolina either did or could have produced. Even if Ms. West were competent to testify as to the "rat hat," she admitted in deposition that she did not know who manufactured the "rat hat," nor who sold the hats, and she had no idea whether Carolina had any licensing program at that time. [Discovery Deposition of Elizabeth West ("DD-West") 28:19-29:2 at O-Ex. 253.6-7.] In other words, even if Ms. West were competent, there is no evidence that this "rat hat" was manufactured or sold by Carolina or under license from Carolina, there is no evidence that this "rat hat" was sold to anyone outside of the freshman class of Carolina, and there is no evidence that the hat was manufactured or sold after the 1950s. From a trademark perspective, the "rat hat" cannot qualify as any evidence that Carolina had any trademark rights in SC on collegiate goods as of 1997.

b. The CLC Agreements List Carolina's Trademarks But Do Not Include Any SC Mark (Including the One Executed in 2002) Nor Does Carolina's Own Trademark's Cite Refer to SC

Since at least 1983, Carolina has entered into six agreements with CLC or its predecessor to be Carolina's exclusive licensing agent. [O-Exs. 282-285, 287-288.] Although missing from the first agreement, the subsequent five licensing agreements included a schedule to each agreement listing the trademarks being licensed pursuant to that agreement. [O-Exs. 283.7, 284.8, 285.9, 287.7, 288.8.]

In none of those agreements between Carolina and CLC does Carolina specify any form of any SC mark as being among those marks to be licensed by CLC on behalf of Carolina. [O-Exs. 283.7, 284.8, 285.9, 287.7, 288.8; *see also* 267.3-4 (2002 request for proposals to license those "Indicia" shown on 267.4 plus any Indicia developed "hereafter").]

In addition, Carolina maintains a webpage for the public about its trademarks and licensing. [O-Ex. 257.1.] Although that webpage includes a list of various trademarks, there is no identification of SC as a trademark. [*Id.*; *see also* 257.3-9 (showing logos but no SC logo).]

c. CLC's "Appendix B" Listing the Marks Available to Carolina Licensees Did Not Include Any Form of Any SC Mark Until Sometime After May of 2002

As part of its operations as Carolina's licensing agent, CLC maintains a form showing the trademarks that can be licensed for each school. [DD-Corbett 17:25-18:16 at O-Ex. 252.7-8 and DD-Corbett Ex. 1003 at O-Ex. 252.38; TD-Walsh 16:24-17:6; A-Ex. 9 including Bates No. Applicant 00318.] The form is updated every three months and reviewed and approved by Carolina. [DD-Corbett 17:25-18:16 at O-Ex. 252.7-8; *see also* DD-Corbett 95:9-18 at O-Ex. 252.26; TD-Walsh 16:24-17:15 (Appendix B should include all marks "if they are up to date" and Appendix B is "generally up to date.".)] CLC typically places the date it generates each version of this form in the upper left of the form. [*See, e.g.*, DD-Corbett Ex. 1003 at O-Ex. 252.38.]

Although Carolina asserts that it began using the SC mark on hats, shorts, t-shirts, and uniforms before filing its application in September of 1997, no form of SC shows up on the CLC form given to licensees until sometime after May of 2002. [DD-Corbett Ex. 1003 at O-Ex. 252.38; O-Ex. 258.]

d. The University of South Carolina Has Filed At Least 156 South Carolina State Trademark Registrations over the Years, But Never Sought to Protect Any Form of SC

Opposer's NOR No. 17 includes all of the South Carolina state trademark registrations that Carolina has sought through 2005. [O-Ex. 256.1-157.] Between 1973 and 2005, Carolina sought at least 156 different registrations for its marks. [*Id.*] Notably, although Carolina has sought numerous registrations for "USC" and others for "Carolina Gamecocks," Carolina has never considered any form of the SC mark alone or in combination with other words or designs to be significant enough to seek any trademark protection. [See O-Ex. 256.76-83 and 256.139-143 ("USC"); 256.84-92 ("Carolina Gamecock").] This is further evidence that Carolina did not use the letters SC alone to indicate the source of any goods or services before the alleged first use date in 1997.

e. Despite Carolina's Application Based on Alleged Use of the SC Mark on T-Shirts, Shorts, and Uniforms Before September 16, 1997, Carolina Has Provided No Evidence of Any Such Use Until Long After 1997

As noted above, the parties have stipulated that licensee approval forms will qualify as evidence of use. [StipFact ¶ 42.] Nevertheless, Carolina has provided *no* licensee approval form or any other evidence that demonstrates that Carolina was using any form of the SC mark on t-shirts, shorts, or baseball uniforms sold to the general public before September 16, 1997.

The earliest evidence of any use of the Carolina form of SC on a t-shirt is November 17, 2004. [See StipFact ¶ 55.] The earliest evidence of any use of the Carolina form of SC on a pair of shorts appears in design approval forms from November 17, 2004. [StipFact ¶ 55; *see also* O-Exs. 365, 369.] And the earliest evidence submitted by Carolina of any use of the Carolina form of SC on a baseball uniform to be sold to the public is March 3, 2003. [A-Ex. 185.] Moreover, Carolina's Director of Licensing denied any knowledge of who the first licensee was for SC on shirts or uniforms, or when Carolina started licensing SC on shirts or uniforms. [TD-Corbett 66:9-24.]

2. There Is No Evidence that the University of South Carolina Is Known as "SC" In Any Verbal Sense

Unlike the copious evidence demonstrating that individuals and periodicals around the country refer to the University of Southern California as "SC," there is no evidence that would suggest that the

University of South Carolina is referred to in a spoken or verbal sense as “SC.” This stands to reason, because the term SC would not distinguish the University of South Carolina from South Carolina State University, or indeed, from any other institution or location in the state of South Carolina. Consider the bus driver who is asked: “does this bus go to SC?” In Los Angeles, the bus driver would recognize that the passenger wanted to go to the University of Southern California. In Columbia, South Carolina, the bus driver would simply be confused: after all, the passenger is already within the state of South Carolina (and a long way from the University of Southern California). The use of SC would not signify to the driver that the passenger wanted to go to the *University* of South Carolina.

3. Carolina Has a Presumptive First Use Date of 1997 For Its Mark

Carolina's application at issue here recites a first use date for its mark of January, 1997 (effectively January 31, 1997). [A-Ex. 51 at Applicant 00083.]

4. To the Extent that Carolina Ever Used SC in Connection With Its Athletic Teams, Carolina Abandoned the Mark Several Times

a. There Is No Evidence of Any Material Use by Carolina of Any Form of the SC Mark Between 1906 and 1921

Before 1906, Carolina's predecessor was known as “South Carolina College.” [DD-West 17:16-24 at O-Ex. 253.5; TD-West 24:17-23; O-Ex. 314.1.] During that time, the athletic teams from South Carolina College tended to use “SCC” as initials on jerseys and uniforms as well as in monograms on various school documents. [*Id.*; see also TD-West 27:16-29:4 (admitting that uses of SC were part of “SCC”); see generally A-Exs. 106-121 and Opposer's concurrently filed objections.]

In 1906, the institution was re-chartered as the “University of South Carolina.” [TD-West 24:17-23; O-Ex. 314.1.] The change in name and charter was the result of a deliberate effort to emphasize the fact that the institution had changed its focus from being an all-white agricultural school to a broader ranging institution. [TD-West 6:16-22; TD-West 50:18-51:2; O-Ex. 327.1]

Beginning with the 1907 Carolina yearbook, the school teams wore predominantly a specific block C (“Block C”) with an occasional appearance by a “USC” on one or two random jerseys in the earliest years. [O-Exs. 316-326; see, e.g., particularly O-Ex. 316 at App. 02596 (numerous football team members wearing “C” and two wearing “USC”).] Team photographs of the football team, baseball team

and school lettermen all show that the Carolina Block C was the team insignia. [See, e.g., O-Exs. 318 at App. 2629 (football team), 321 at App. 2646-49 (same), 323 at App. 2665-70 (same), 315 at App. 2602 (baseball team), 325 at App. 2688 (same), 326 at App. 2694-97, 317 at App. 2622 (lettermen for baseball and football), 318 at App. 2639 (same).] To the extent that there is any evidence as to any other sports between the name change in 1906 and 1920, the record shows that those teams also wore the Block C and no team *ever* wore a team uniform bearing any form of SC. [O-Exs. 324 at App. 2675 (tennis), 326 at App. 2692 (basketball), 326 at App. 2698 (track).]⁶

There is no evidence that any team wore any SC mark during this thirteen year period. [O-Exs. 316-326.]

While there is no express statement in the record that Carolina was formally abandoning “SCC” (or the *de minimis* SC variant thereof) as a school insignia in light of the 1906 name change, the record is absolutely clear that Carolina selected the Block C logo for its major sports teams from 1906-1907 through at least 1919. [O-Exs. 316-326.] The record is likewise clear that – to the extent that Carolina’s archives show any other team uniforms – there is *no* Carolina team that used either an SCC or any SC variant for at least thirteen years after the name change. [*Id.*] Carolina’s archivist testified that she was not aware of any contrary evidence. [TD-West 43:6-12.] Moreover, Carolina could have submitted any contrary evidence during rebuttal if it existed: the fact that Carolina did not submit such evidence after being challenged confirms that there is *no* contrary evidence. [TD-West 53:7-54:1 (Carolina has all yearbooks and other archival documents in its possession and could submit such to the Board).]

b. There Is No Evidence of Any Material Use by Carolina of Any Form of the SC Mark Between 1931 and 1948

After the thirteen (13) year period without any use of SC that followed Carolina's 1906 re-chartering, it appears that Carolina began during the 1920's to use SC in an intermittent and *de minimis*

⁶ California acknowledges that O-Exs. 316-326 do not show every Carolina team every year. Unfortunately, the documentation is limited. As Carolina’s archivist testified, not every single sports team was shown every single year. [TD-West 46:24-47:5.] Moreover, Ms. West admitted that some years there were various teams without any insignia at all. [*Id.* 42:18-43:2.] However, had California omitted any relevant evidence that still exists, Carolina could have submitted that evidence. [*Id.* 53:7-54:1.] The record is as complete as it can be at this point, and the evidence demonstrates no use by Carolina of SC for more than thirteen years after the 1906 re-chartering of the institution.

manner on some of the minor sports teams. [A-Exs. 122-125 and Opposer's Objections to same.]

However, that *de minimis* use was then followed by another period of eighteen (18) years where there is no evidence that Carolina used the letters SC by themselves to identify the institution.

For the period between 1931 and 1948, the Carolina yearbooks reveal a variety of uniforms for different sports. [O-Ex. 371-388.] During this entire period, there is no evidence that any Carolina team wore any form of SC as the team uniform or that the school otherwise attempted to identify itself with an SC mark. [*Id.*] In general, to the extent that the school used any initials, team uniforms (such as the baseball team cap) bore the Block C as the initial. [*Id.*] Carolina's archivist testified that she was not aware of any specific evidence that showed use of SC during this time. [TD-West 43:13-24.]

During its rebuttal period, Carolina did submit a handful of yearbook pages from this eighteen (18) year period, which Carolina asserts show use of one or more versions of the SC mark. [A-Exs. 445-453.]⁷ However, as noted in California's objections, these pages do not in fact represent any use by Carolina to identify itself as an institution with the initials SC. Instead, most of them reflect other marks which include SC only as a component of something larger. [See, e.g., A-Exs. 445, 447-450, 453 (Use of "U of S.C." or "USC" rather than SC); 451-452 (use of "SCAA" which presumably stands for "South Carolina Athletics Association").] Two of Carolina's exhibits contain photographs of a South Carolina state government historical marker wherein the SC refers to the state rather than the institution. [A-Exs. 449, 450; see also StipFact ¶ 104 (since 1936, SC has been used by the state government South Carolina Historical Marker Program around the state of South Carolina), see also A-Ex. 97.2 (showing similar markers and noting 1954 *cessation* of the SC on new markers).] Finally, the documents in A-Ex. 446 show only a historical photo from the 1898 South Carolina College era and an artist's fanciful drawing of

⁷ Carolina also submitted one exhibit from 1930, which shows a single member of the *freshman* baseball team wearing an SC emblem as part of the "moth-eaten, clay stiffened, sweat rotted uniforms" that were handed down to the freshman squad. [A-Ex. 444.] This exhibit predates 1931 (which California had identified as the beginning of the second abandonment period). It also does not demonstrate that Carolina either sought to be known by SC or was successful in that way. A single hand-me-down shirt not only fails to prove that the institution identified itself as SC, but the fact that such a logo *only* appears as part of Carolina's surplus outfits affirmatively suggests that Carolina had abandoned any desire to use any form of the SC mark.

the Carolina stadium. [A-Ex. 446.1-3.] Neither provides any proof that Carolina sought as an institution during the period from 1931 to 1948 to be identified by SC or that it succeeded in doing so. [*Id.*]

Once again, if there were evidence that Carolina as an institution sought to be identified as SC or was identified by the consuming public with the initials SC, Carolina was challenged on this subject and had the opportunity to produce it to this Board. [TD-West 53:7-54:1.] The reality is that there is no evidence that Carolina ever attempted to use SC to identify itself as an institution during this eighteen (18) year period.

c. There is No Evidence of Any Material Use by Carolina of Any Form of the SC Mark Between 1974 and 1991

After this second gap period of eighteen years, there is once again some sporadic evidence that some Carolina teams used forms of an SC mark during the 1950s and 1960s. However, this was *again* followed by a very long period in which there is no material evidence that Carolina sought to use SC to identify itself as an institution. In this case, Carolina appears to have gone another eighteen years between 1974 and 1991 without any material use of any form of the SC mark to identify itself as an institution.

The Carolina yearbooks demonstrate a wide variety of uniforms and other Carolina-related materials for the period from 1974 to 1991. [O-Exs. 389-406.] As before, there is no evidence during this entire period that any Carolina team wore any form of SC as the team uniform or that the school otherwise attempted to identify itself with an SC mark. [*Id.*] In general, to the extent that the schools used any initials, team uniforms (such as the baseball team cap) bore the Block C as the initial. [*Id.*] Carolina's archivist testified that she was not aware of any specific evidence that showed use of SC during this time. [TD-West 43:25-44:4.]

Once again, in rebuttal, Carolina submitted a handful of pages from this eighteen year period which Carolina asserts demonstrate use of an SC mark. [A-Ex. 454-458.] To the extent that the exhibits prove anything (and they do not), these five exhibits only cover the time period up to 1981 and leave a full nine years between 1982 and 1991 with an undisputed gap. In addition, as noted in California's evidentiary objections, the reality is that the exhibits do not prove anything because these five exhibits do not show any attempt by Carolina as an institution to identify itself with any form of the SC mark.

The first of these five exhibits has no apparent reference at all to SC except for a text mention of a charitable group working with “S.C. inmates” that presumably refers to state inmates rather than university inmates. [A-Ex. 454.] The second is merely yet another photograph of the pre-1954 state historical marker. [A-Ex. 455; *see also* StipFact ¶ 104 (since 1936, SC has been used by the state government South Carolina Historical Marker Program around the state of South Carolina), A-Ex. 97.2 (showing similar markers and explaining that use of the SC on new markers stopped in 1954).] The third is a picture of a somewhat obscured karate outfit, but it is apparent that the lettering refers to either “Univ. of S.C.” or “University of S.C.” rather than merely SC as a stand-alone mark. [A-Ex. 456.2.] The fourth reflects a woman in a background crowd whose hat may be a “USC” hat, an SC hat, or even a “BC” hat. [A-Ex. 457.2.] Even if it reflects an SC logo, however, a single spectator’s hat of unknown source and unknown date of sale does not demonstrate any effort by the *institution* to identify itself with the letters SC. [*Id.*] Likewise, the fifth and last exhibit shows another crowd of spectators in which one fan is wearing a hat with an SC logo. [A-Ex. 458.2] Again, there is no evidence as to the source of this hat, the original date of the hate, or any attempt by the institution to use this mark. In fact, all evidence from that same yearbook shows that the *institution* used principally the Block C, with an occasional use of “USC.” [O-Ex. 396, including but not limited to 396.7-9, (Block C on football helmet), 396.11-22 (same), 396.31 (USC on basketball shorts), 396.43-44 (Block C on soccer jerseys); 396.48 (Block C on golf shirts); 396.50 (same), 396.52 (USC on tennis shirts); 396.57 (Block C on swimming cap); 396.68 (Block C on cheerleaders); 396.69-78 (Block C for baseball team); 396.83 (Block C on advertisement from the Carolina athletic department).] There is no use of SC shown by any official Carolina source in that yearbook. [O-Ex. 396; *contrast with* 396.45 (“S.C. State” for South Carolina State University rather than Carolina).]

5. To the Extent that Carolina Ever Used SC in Connection With Its Athletic Teams, the Use Was Minor

As noted above, there is evidence of sporadic use by Carolina of various forms of the SC mark during the 1920s, and then some additional use between 1950 and 1973. Nevertheless, in sharp contrast to California, it is clear that even when Carolina did use a form of the SC mark, such use was minor.

a. The Block C Is the Primary Carolina Sports Mark

On or before 1908, it appears that Carolina founded the “C Men’s Club” for those students awarded the block C for excellence in baseball and football. [O-Ex. 317 at Applicant 2622-23 (creating “C men’s club” for those awarded Block C in baseball and football); *see also* O-Exs. 319 at Applicant 2639-40, 320 at Applicant 2644, 324 at Applicant 2681, 326 at Applicant 2699.] From that time forward, not only have individual athletes at Carolina worn the Block C, but it is a recurring emblem on Carolina team uniforms. It has been worn by the football, basketball, baseball, softball, soccer, track, golf, swimming, tennis, and polo teams, among others. [See, e.g., 391.14, 406.11, 406.20, 388.38, 406.32, 400.66, 394.26, 380.28, 399.85, 393.60, 395.54, 399.77, 401.75, respectively.]

The baseball team has worn the Block C for most of its existence. [TD-West Exs. O-Ex. 316 at Applicant 02602, O-Ex. 317 at Applicant 02622, O-Ex. 321 at Applicant 02650-53, O-Ex. 325 at Applicant 02685-90, O-Ex. 326 at Applicant 02693-97; O-Exs. 276.2, 276.3, 371.32, 372.29, 373.30, 374.25, 375.28, 376.16, 377.25, 378.28, 379.29, 380.30, 388.38, 389.71, 390.3, 391.45, 392.32, 394.45, 395.56, 396.74, 397.6, 398.54, 399.52, 400.56, 401.52, 402.51, 403.71, 404.53, 405.46, 406.32.]

More recently, the Block C has come to frequently include a stylized gamecock in the middle of the C. Nevertheless, it remains a separately identifiable emblem for Carolina. [See, e.g., DD-Corbett 47:14-20 at O-Ex. 252.12 (“The [B]lock C with Gamecock has always had the connotation of athletics.”; O-Ex. 257.7 (noting that Gamecock may be used alone or with the “traditional Block C”).]

The Block C has always appeared on every listing of Carolina trademarks to be licensed. [O-Ex. 383.7, 384.8, 285.9, 287.7, 288.8, 257.1 (“Our trademarks include the ‘Block C’....”)] The CLC trademark sheet currently identifies the Block C as the “primary mark.” [O-Ex. 288.8; A-Ex. 9 at Bates No. Applicant 00318.] The Block C appears on a wide variety of collegiate merchandise. [See, e.g., O-Ex. 274 (FansEdge webpage dominated by Block C merchandise).]

b. The School is Commonly Known Verbally as “Carolina”

In virtually any extended description of its sports teams, Carolina refers to itself as “Carolina.” The use of “Carolina” to verbally describe the institution begins no later than the 1907 yearbook. [O-Ex. 316.2 (beginning with “The season of ’07-’08 was a bright one for Carolina” and continuing at length).]

A comprehensive listing of references to the school as “Carolina” would consume more pages than the Board permits (or would prefer to read), but California would direct the Board generally to O-Exs. 275, 276.3, 316-325, 371-406 as well as A-Exs. 90.4, 149.1, 150.1, 157-164, 170.1, 381.1, 445.3, 447.2, 449.2, 451.2, 452.2.⁸

The school is also called “Carolina” in its alma matter, “We Hail Thee Carolina,” which was written in 1911. [O-Ex. 315; *see also* “Carolina’s Day” at A-Ex. 323.2.]

Finally, the school has regularly used the term “Carolina” alone on team jerseys for a wide range of sports. That use began at least as early as 1932 and continues regularly. [*See, e.g.*, O-Exs. 325.5, 371.21, 372.19, 373.20-24, 374.18-20, 375.17-27, 376.12-15, 388.35, 389.31, 390.27, 390.51-55, 391.3, 391.8, 391.12-15, 391.45, 391.50-53, 392.2, 392.84, 393.56, 394.20, 394.48, 395.29, 396.7, 397.18, 398.59, 399.19, 399.53, 399.77, 400.40, 401.35, 401.82, 402.69, 403.57, 404.69, 405.44, 406.33.]

c. To the Extent It Was Used at All, SC Was Used Sporadically and in a *De Minimis* Manner

As noted above, California concedes that, for limited periods, there is some evidence of sporadic use of various SC marks by Carolina. However, much of the evidence submitted by Carolina for those limited periods is either inapplicable or is *de minimis* on its face.

For example, Carolina submits only six exhibits for the period between 1920 and 1930. [A-Exs. 122-125, 148-149.] The earliest exhibit is the 1922 track team, which apparently adopted an SC logo that year. [A-Ex. 148.] However, by 1923, it appears from Carolina’s own evidence that Carolina had moved back to a Block C for field sports, since all but one member of the 1923 cross-country team bore the Block C and only one was still wearing the previous year’s SC logo. [A-Ex. 122.]

The chronological next exhibit depicts the Carolina freshman basketball team. [A-Ex. 123.] Although hard to decipher, it appears that there is wording above the SC which is likely “University.” Even if there were no other wording, use of a logo in connection with one *freshman* team (who played only other freshman teams, a Y.M.C.A. team, and a high school team) is hardly a material use. [*Id.*]

⁸ The use of “Carolina” is not exclusive. The school also refers to itself as “South Carolina,” “Gamecocks,” or in more recent years as “USC.”

As with the first two exhibits, the final three exhibits in combination show the introduction and demise of an experimental SC logo. [A-Exs. 124, 149, 444.] The 1925 yearbook shows the varsity baseball team. [A-Ex. 124.] It appears that this is the first year Carolina adopted a new (interlocking) SC logo for its team, since two of the players are sporting an older “USC” logo. [A-Ex. 124.] By 1927, however, Carolina seems to have given up on the interlocking SC logo and only two members of the team still have that logo on their uniform. [A-Ex. 149.2.]

The final exhibit depicts the freshman Carolina baseball team from the 1930 yearbook. [A-Ex. 125/444 (same exhibit).] As addressed in footnote 7, this exhibit depicts only a single member of the *freshman* baseball team wearing the interlocking SC emblem. The uniform was one of the “moth-eaten, clay stiffened, sweat rotted uniforms” handed down to the freshman squad. [A-Ex. 125/444.] While worn by a freshman in 1930, the uniform dates back to the 1925 team and the logo that Carolina discarded after a single season or two. [Compare A-Ex. 123 with 149.2 and 125/444.]

D. The Goods Are the Same and Travel in the Same Channels of Trade

1. California Licenses and Sells the Not Only Exact Goods At Issue In the Registration, But Also the Same Range of Goods as South Carolina

Carolina’s 1997 application seeks registration for SC for hats, t-shirts, shorts and jerseys. [A-Ex. 51.] California’s catalogs demonstrate that California has offered such goods at least by catalog and in stores since 1976. [O-Exs. 27-47; TD-Stimmler 51:18-21 (merchandise in catalogs will be available at bookstore).] California’s licensing director confirms that California has licensed such goods to third parties at least since she arrived at California in 1988. [TD-Kennedy 26:14-27:6, 27:12-16.] California’s bookstore director confirms that California has had a private label for such goods since 1995. [TD-Stimmler 8:21-9:17.] Finally, California’s incontestable registration demonstrates that California has a priority date for such goods no later than 1990. [O-Ex. 296.]

In addition to the fact that there is exact overlap on the specific goods covered by the registration, there is also an enormous overlap between the goods offered in general by the two institutions. Both schools license collegiate merchandise including but not limited to apparel, headwear, footwear, jewelry, watches, clocks, toys and games, sporting goods, auto accessories, blankets, cups, mugs, flags, banners,

holiday items, office and school supplies, rugs, luggage and sports bags, wallets and umbrellas. [StipFact ¶¶ 39-40.] Beyond the stipulation, there is extensive evidence as to the wide range of collegiate merchandise that is sold by both schools. [See generally DD-Corbett 34:3-35 at O-Ex. 252.9-10; O-Exs. 284.9-12, 285.10-13, 287.8-11, 288.9 (lists of collegiate gear subject to license by CLC on behalf of Carolina); TD-Kennedy 19:22-20:22; O-Exs. 41-47; A-Ex. 216.]

The marks used on collegiate merchandise in general are not different from the marks used on collegiate apparel. [TD-Walsh 80:20-24.]

2. Carolina and California Sell Through the Types of Same Sporting Goods Stores, Sporting Fan Stores, General Merchandise Stores Like Department Stores and Wal-Mart as Well as Internet Retailers

As noted above, California has long sold its goods (including its SC branded goods) through a wide range of retailers. [See *supra* Section II(B)(2).] Historic royalty reports from licensees dating back to the mid-1990s confirm that California's SC-branded merchandise was sold around the country through a variety of stores. [See O-Ex. 77 (*e.g.*, New Era Royalty reports listing sales including various JCPenney and Pro Image stores (77.3-4), various Chick's Sporting Goods stores (77.34), Von's Co. supermarket chain (77.35), and Athlete's Foot stores (77.7), among many others); TD-Kennedy 97:14-23 (60-70% of New Era products historically bore the Baseball Interlock form of the California SC mark).]

The most current royalty reports from Nike further confirm this wide range of channels of trade, reflecting sales to mass merchandisers like Ross Stores, Marshalls, and TJ Maxx; mid-tier mass stores like JCPenney and Robinsons-May; sporting goods stores like Hibbett Sports, Finish Line, Foot Locker, Dunham's Sports, Champs Sports, Chick's Sporting Goods, Sportmart, Scheels, Big 5 Sporting Goods, Gart Sports, Oshman Sporting Goods, and Eastbay; and sport specialty stores like Sports Fan-Attic, Sports Station, Front Row Sports, Legends, Sports Treasures, Hatworld/Lids, Pro Image, Fanzz, Sport Seasons, and Hat Shack, (among many others). [O-Exs. 76 and 67; *see also* TD-Walsh 68:16-20 (confirming that California goods are sold through Wal-Mart; TD-Stimmler 35:25-37:6 (noting variety of competitors to California's own bookstores selling California branded goods); and TD-Kennedy 64:16-20 (confirming SC mark licensed to licensees other than Nike and Team Trojan on Bowl Game and championship products).]

These are essentially the same channels of trade that Carolina has approved and continues to use. Carolina's licensing director testified generally that it was very common for Carolina to sell licensed goods through sports specialty stores, department stores, and discount stores. [DD-Corbett 61:25-62:8 at O-Ex. 252.17-18.] CLC's reports to South Carolina identify a number of specific retailers selling Carolina's licensed goods, who are exactly the same sorts of retailers (and sometimes exactly the same retailers) through which California sells its goods. [See, e.g., O-Exs. 270.1 (Hat World/Lids), 270.3 (potential sales through Finish Line, Gart, Pro Image, and Fanzz), 270.4 (Hibbett Sports), 271.2 (Wal-Mart), 271.3 (JCPenney, Sports Authority, Gart's and Bealls), 271.3 (potential sales through May Company, parent of Robinsons-May), 271.4 (Foot Locker and Champs Sporting Goods), 271.5 (Hatworld/Lids, Finish Line, Champs), 271.6 (Macy's, Sport Seasons, Fanzz, Legends), 272.2 (Bed Bath & Beyond), 273.2 (potential sales through licensees to Wal-Mart, K-Mart, Target, Meijer's, Shopko, and Sam's Club), 273.3 (same for JCPenney, Kohl's), 273.4 (same for Hibbett's, JCPenney, Eastbay, Dick's Sporting Goods, and Sport's Authority), 273.7 (Sam's Club, Home Depot); see also 273.8-16 (further retailers).]

Moreover, as discussed below, an investigator traveling through North Carolina, South Carolina, Alabama and Georgia found numerous stores that actually carried the goods from both California and Carolina, frequently in close proximity to one another. [O-Exs. 306, 328, 333-335, 337-340, 343-348, 349 (multiple stores within a single collective exhibit).]

3. California and Carolina License the Same Companies to Design and Sell Their Goods, Which Sell Similar Products to the Same End Retail Stores

Aside from California's Team Trojan private label, California's other goods are licensed to licensee manufacturing companies, which licensees in turn design the goods and sell the goods to the end retailers. [TD-Kennedy 9:5-6; see also *id.* 10:11-13 (California's bookstore is only one retail channel to whom licensees sell goods), *id.* 40:23-41:1; see generally *id.* 12:9-14.1 (describing licensing process).]

All Carolina goods are licensed through CLC to licensee manufacturing companies, which licensees in turn design the goods and then sell those goods to the end retailers. [StipFact ¶ 51; DD-

Corbett 13:17-14:4 at O-Ex. 252.5-6; *see generally* O-Exs. 270-273 (discussing specific licensees and the retailers to whom those licensees are selling collegiate goods including Carolina goods).]

It is not surprising that many (if not most) of the companies who license collegiate gear are licensees for both Carolina and California. [StipFact ¶ 41 and Ex. A.] There are at least forty eight (48) separate licensees for hats, t-shirts, and other apparel who sell products licensed by both California and Carolina, including major apparel manufacturers like Nike and Russell Corporation. [*Id.*] There are an additional 123 licensees who manufacture and sell a wide variety of other collegiate gear including key chains, glass wear, stationery supplies, golf bags and accessories, lip balm, stickers, laundry baskets, flags, stadium seats, and umbrellas. [*Id.*]

It is also not surprising that – since the licensees are the people who actually sell the goods to the end retailers like Wal-Mart, Sportmart, or JCPenney – licensees who sell both Carolina and California merchandise end up selling such merchandise to the same end retailers. [TD-Kennedy 40:23-41:1 (licensees have the relationships with the retailers).] Carolina’s witness from CLC confirmed that buyers for such stores are typically looking to buy logo merchandise for multiple schools. [TD-Walsh 79:13-25.; *see also* O-Exs. 270-273 (discussing various licensee's multi-school collegiate product lines being sold to major retailers).]

4. The Products Are Typically Found Together in Retail Locations

In response to Carolina’s assertions that brick-and-mortar retailers typically segregate collegiate merchandise by school, California retained a trademark investigator to check retail stores and malls in North Carolina, South Carolina, Georgia and Alabama. [TD-Taylor 6:8-7:4.] Mr. Taylor photographed the exterior of every store he visited in order to keep a record of which stores he had seen, and he visited at least 134 total retail stores as part of his project in this case. [*Id.* 9:9-14, 14:14-17; Opp Exs. 328-329.] In each store that had either California or Carolina merchandise, and if permitted by the store, Mr. Taylor also took photographs to show what merchandise was there and how it was organized. [*Id.* 9:3-22.] The photos demonstrate the merchandise as Mr. Taylor found it, except that (a) where shirts were covered, they were pulled out far enough to reveal the emblems on the shirts, and (b) there was one instance

(reflected in Opposer's Exhibit 333) where Mr. Taylor had to pull a pair of shirts out of a circular rack so they could be photographed. [*Id.* 17:11-18:4, 18:24-19:7.]

During his trip, Mr. Taylor found that some stores organized clothing by type and displayed merchandise from various schools together, while other stores organized clothing by school. [TD-Taylor 21:16-23:11; O-Exs. 305-308, 328, 330-349.] Mr. Taylor estimated that in 85-90% of the time, retail stores organized clothing by type of clothing and displayed merchandise from various schools mixed together. [*Id.*]

During his trip, Mr. Taylor encountered a number of stores that carried both California and Carolina merchandise. [O-Exs. 306, 328, 333-335, 337-340, 343-348, 349 (multiple stores within a single collective exhibit).] If the store carried both California and Carolina merchandise, it was not uncommon to find such merchandise in close proximity to one another. [TD-Taylor 24:6-15; *see also* O-Exs. 306, 333-335, 337, 339, 344, 346, 347, 349 (multiple stores within a single collective exhibit).]

While Carolina attempted (over objection) to elicit testimony from its licensing agent that retail stores typically organize merchandise separated by school, the licensing agent later admitted that "at times it is mixed together." [TD-Walsh 58:6-9.] The licensing agent admitted that some retailers frequently mix product together. [*Id.* 58:10-11.]

Carolina's licensing agent was then asked to review four samples of Mr. Taylor's photographs and he admitted that those photographs were not inconsistent with his experience. [TD-Walsh 59:17-64:23.] The first example was a disorganized pile of hats at Wal-Mart. [O-Ex. 305.]⁹ Mr. Walsh testified that some stores would be this disorganized, but that most stores would be less cluttered. [TD-Walsh 59:17-60:1.] The second example was a Lids store where hats were organized by color from different institutions. [Ex. 306.] Mr. Walsh testified that this store was more consistent with his retail experience than the prior Wal-Mart exhibit. [TD-Walsh 61:12-17.] He also was not surprised generally to find collegiate products from different schools shelved next to each other. [TD-Walsh 62:11-16.]

⁹ Carolina repeatedly objected to testimony on the four exhibits on the grounds that Mr. Walsh had no foundation for them. However, Mr. Taylor provided the foundation for each exhibit and Carolina then agreed to admit them as part of the record. [TD-Taylor 27:10-11, 28:18-19, 30:9-10, 46:18-19 (admitting 328, which contains the photos in 308).]

The third example was from a Sports Fan Attic store where again collegiate hats from different institutions were displayed next to each other, and the fourth example was from a JCPenney store with a similar presentation. [O-Ex. 307-308.] Mr. Walsh testified that this is certainly one way that Sports Fan Attic and JCPenney display hats, and that he would not be surprised by such a display in a JCPenney store. [TD-Walsh 62:23-63:3, 63:20-64:7.]

In summation, Mr. Walsh testified that it would not be inconsistent with his general experience with all brick-and-mortar retailers to find collegiate hats from different institutions displayed next to each other, so long as it was not in a disorderly pile. [TD-Walsh 64:9-23.]

Mr. Walsh was then asked about other collegiate merchandise with reference to a photograph from a Bed Bath & Beyond store where collegiate merchandise from different schools was again displayed together. [A-Ex. 12 at App. 2352.] Mr. Walsh confirmed that this display of mixed collegiate merchandise would not be unusual in his experience. [TD-Walsh 68:11-13.]

In addition to brick-and-mortar retail locations, both Carolina and California sell their goods through many of the same Internet retailers. [See, e.g., A-Exs. 60 (common sales through sportchalet.com); 61 (common sales through champssports.com); 62 (common sales through collegegear.com); 63-69 (same for teamstore.com, fogdog.com, footballfanatics.com, fansedge.com, mvp.com, finishline.com, sportsauthority.com); O-Exs. 6, 8 (same for thesportsauthority.com, oshmans.com), O-Ex. 225.1 and StipFact ¶ 14 (together demonstrating common sales through Sportmart.com); O-Exs. 228, 248-49 and A-Ex. 59 (same through Lids.com).]

While it is true that many on-line stores are organized by institution, even Carolina's own witnesses conceded that on-line stores are also organized by type of good or as a result of searches, so that t-shirts or other products from Carolina may be on the same webpages as t-shirts or other products from California. [TD-Walsh 54:12-20 (not uncommon to find webpages with multiple school's goods); TD-Corbett 63:9-23; *see also* TD-Kennedy 44:8-15 and O-Exs. 5, 231.2 (California and Carolina hats next to each other); 232.] Products are also listed on the various top-pages for the internet site as a whole or for the collegiate sections of such sites. [O-Ex. 233, 236, 237; *see generally also* A-Exs. 59-69.] As a result,

given the fact that Carolina is offering the same types of goods as California, it will not be uncommon for consumers to encounter such goods on the same web pages.

E. Substantial Numbers of Consumers are Unsophisticated and the Goods Are Cheap

1. While a Portion of the Purchasers are Hardcore Fans, Many if Not Most Are Considerably Less Sophisticated

Without question, a portion of the individuals who purchase Carolina or California merchandise are hardcore fans of the institution who might be very sensitive to even minor variations in logos. [TD-Walsh 77:5-12; *but see* TD-Stimmler 35:1-8 (even “hard-core fans” may be confused.).] Based on his experience as a clothing manager and the director of the University of Southern California bookstore, Mr. Stimmler estimated that percentage to be less than twenty percent of the purchasers. [TD-Stimmler 34:17-25.]

In part, this is because sales are made not only to students, faculty, staff, alumni and fans, but also to the “network of people” around those folks. [TD-Stimmler 35:9-14.] The network of people includes individuals like parents, brothers and sisters, and friends. [*Id.* 35:15-21.]

In addition, sales increase when a school’s athletic teams do well. [TD-Walsh 77:17-19, 78:8-10 (product sales may double based on athletic success).] The new fans brought in by this success generally are not as sophisticated as the prior fans. [*Id.* 78:21-79:1.]

While Carolina attempted to elicit testimony from their licensing agent that consumers *are* sophisticated, the same witness on cross-examination retreated to say only that consumers “can be” sophisticated. [TD-Walsh 76:19-77:2.] When asked if some of the consumers are also “much less sophisticated,” Mr. Walsh testified that they “can be . . . I would say yeah.” [*Id.* 77:13-14.]

Carolina’s witness also agreed that the level of sophistication can depend significantly on the channels of trade. [TD-Walsh 77:17-19.] In general, Carolina’s witness conceded that many of the outlets which service the population at large would include consumers who are potentially much less sophisticated. [TD-Walsh 77:20-78:3.] In particular, Carolina’s witnesses conceded that shoppers at mass merchandisers like Wal-Mart, department stores like JCPenney, and home goods retailers like Bed Bath & Beyond might well not be sophisticated consumers. [*Id.*]

2. The Goods At Issue Are Relatively Inexpensive

Carolina's hats can be as cheap as five dollars at retail at Wal-Mart. [TD-Walsh 33:18-34:2, O-Ex. 271.2 and 273.5 (discussing \$5 Carolina hat for Wal-Mart with a single logo).] The hats in California's higher-end Team Trojan line retail on average for \$18.95, but California licenses (and retails itself) products that are sold at lower price points. [TD-Stimmler 25:10-26:14; O-Ex. 16 and TD-Stimmler 15:14-18 (adopting same).] California's licensing director estimated that licensed hats and t-shirts in general retail for between \$15 and \$20 each on average. [TD-Kennedy 33:15-20.]

F. Additional Facts Make Confusion Even More Likely in this Case

1. Carolina's Primary Color Is One of California's School Colors

The school colors for California are cardinal and gold. [O-Exs. 14.1; 24.12; 24.14; StipFact ¶ 94.] Aside from black, Carolina's primary color is garnet. [StipFact ¶ 87.]

While Carolina has attempted to argue that Carolina's "garnet" is distinct from California's "cardinal," Carolina's witnesses have repeatedly confirmed that the best description of color in connection with merchandise is the specific number given to Carolina's licensees from the Pantone matching system. [DD-Corbett 48:11-16 at O-Ex. 252.13; TD-Corbett 67:8-15; TD-Walsh 53:9-19; *see also* TD-Kennedy 62:12-20 (licensees should use the reference to the "Pantone matching system which is an industry standard for color matching.").]

There is no question that Carolina's "garnet" is identified to licensees as Pantone 201. [DD-Corbett 48:11-16 at O-Ex. 252.13 ("When I approve products, I make sure it's pantone 201"); TD-Corbett 67:8-15; DD-Corbett Ex. 1003 at O-Ex. 252-38 (notifying licensees that "garnet" is Pantone 201); A-Ex. 9 at Bates no. Applicant 00318 (same).] There is likewise no question that California's "cardinal" is also Pantone 201. [O-Ex. 24.12; 24.14.] In short, both "cardinal" and "garnet" products are produced with reference to Pantone 201, and Carolina's "garnet" products are therefore the same color as California's "cardinal" products.

The fact that both "garnet" and "cardinal" are the same color would explain why Carolina's licensees repeatedly submit proposals to Carolina identifying some proposed products as colored "cardinal" and why Carolina approves such product despite that verbiage calling the product color

“cardinal.” [StipFact. ¶10; TD-Corbett 66:25-67:17 (admitting that some licensees refer to Pantone 201 as cardinal but indicating pantone number governs); *see also* O-Exs. 290.1 (approved artwork for Carolina in “cardinal”); 291.1 (same); 292.1 (same); 293.1 (same); 362.1 (product proposal to Carolina for “cardinal”) and TD-Corbett 76:18-25 (acknowledging approval of same); O-Ex. 364.1 (product proposal to Carolina for “cardinal”) and TD-Corbett 80:18-81:1 (acknowledging approval of same); O-Ex. 366.1 (product proposal to Carolina for “cardinal”) and TD-Corbett 82:24-83:9 (acknowledging approval of same); *see further* O-Ex. 265-266 (Carolina products using “cardinal” and Pantone 201), A-Exs. 53.1, 174.1, 178.1, 180.1, 194.1, 196.2 (same).]

2. Carolina’s Use of a Variety of Forms of SC Preclude The Consuming Public as Recognizing Carolina’s Form of SC as a Unique Style Mark

As the parties have agreed, Carolina’s proposed mark is a form of the letters “SC” and stands for the letters SC. [StipFact ¶¶ 1-2.] As the parties have also agreed, Carolina has at some times in the past used other forms of SC and Carolina today currently uses other forms of SC. [StipFact ¶¶ 3-4.]

Indeed, the record in this matter demonstrates that Carolina has recently begun licensing products with very different stylizations of the SC mark than the one at issue in this application. [See, e.g., O-Exs. 12.1, 277.1, 278.1, 279.1-2, 280.2, 281.1; A-Exs. 172.1, 176.2, 178.1, 206.1.] As discussed above, California has long used a variety of different forms of SC. [See *supra* Section II(A)(2).] These facts all tend to disprove any suggestion that the consuming public would identify this particular logo as somehow more than merely a variant of the SC general mark.

3. There Is Even Evidence of Actual Confusion In This Matter

Given the low retail pricing of the goods at issue and the number of parties such as retailers and licensees who insulate Carolina and California from the ultimate consumer, it is hardly surprising that there is limited evidence of actual confusion. Nevertheless, California has recently identified various examples where Carolina’s use of a variety of SC marks has lead even retailers to become confused about the source of a product. [O-Exs. 4.1 (California t-shirt misidentified as a Carolina product); 6.1, 8.6, 9.4, 10.2 and 11.1 (California earrings misidentified as from Carolina); 7.1, 8.3, 9.3, 10.1, 11.2 (California charm misidentified as from Carolina); 7.2, 8.1, 9.1, 10.3, and 11.4 (California gold football charm

misidentified as from Carolina); 8.2, 9.2, 11.3 (California gold heart charm misidentified as from Carolina); 12.2 (California Athletic Interlock neon sign misidentified from Carolina); 12.3 (California tie misidentified as from Carolina); 13.1 (hat bearing California's Baseball Interlock misidentified as from Carolina); *see generally* TD-Kennedy 42:22-43:5, 44:25-50:6 (discussing same).]

G. There Is No Material Evidence of Any Other Party Selling SC Clothing or Collegiate Goods

While Carolina has apparently looked far and wide in an attempt to find evidence that third parties are merchandising clothing or other collegiate goods with a form of the SC mark, Carolina has been unable to identify any substantial evidence that any third party has been merchandising using the SC mark over any period of time.

The only *scrap* of evidence that Carolina has located towards this end is a single webpage dated December 29, 2005 from the internal website for Springfield College in Massachusetts. [A-Ex. 72.]

While this web page does appear to show an offering of some merchandise bearing various forms of the SC mark, Carolina has presented no evidence to show that Springfield ever offered such goods for sale before December 29 of last year. Carolina has presented no evidence to show any extent of sales.

Carolina has no evidence that Springfield has ever offered such goods outside of the internal Springfield website. [TD-Corbett 62:5-9.] Carolina does not know whether anyone refers to Springfield as “SC.”

[*Id.* 61:20-23.] Carolina does not know whether Springfield is a NCAA Division I school or a more regional school. [*Id.* 61:24-62:1.] Indeed, Carolina does not know whether Springfield is even a two-year or a four-year institution. [*Id.* 62:2-4.]

Carolina’s own witness has confirmed that “[e]very institution has a defined level of market opportunity. For some, it is on campus.” [TD-Walsh 83:8-14.] While Carolina’s witness agreed that California has a national reputation, there is no evidence that Springfield College has more than an “on-campus” market. [TD-Walsh 84:1-5 (noting California’s national reputation).] In short, beyond this single isolated internal webpage from an institution about which Carolina knows next to nothing and has presented no evidence regarding extent or duration of sales, Carolina has failed to present any evidence of any other use of any form of SC mark in connection with collegiate clothing or other collegiate goods.

Further, California's licensing director testified that she attends trade shows in the licensing field, visits retail stores, and reviews the internet, and aside from California and Carolina, she had not seen anyone using SC in the collegiate context. [TD-Kennedy 52:11-53:6.]

H. Carolina Has Admitted Being Aware of California's SC Mark When it Adopted Its Version of the SC Mark

Carolina's responses to Requests for Admission demonstrate that Carolina was aware of California's SC mark when Carolina adopted its own version of the SC mark. [O-Ex. 251.2]. This admission is confirmed by Carolina's document production, which documents demonstrate that Carolina was aware of both California's Baseball Interlock and also California's '953 Registration for the typed form SC mark for various collegiate goods. [O-Exs. 254-255.]

III. ANALYSIS

A. California Has Priority With Respect to the SC Mark in Apparel

1. California's Common Law and Registration Rights Long Pre-Date the Presumptive 1997 First Use Date

As discussed above, California has demonstrated continuous common law uses on apparel for a number of forms of its SC mark since at least 1976. In particular, California has demonstrated continuous use of the Baseball Interlock form of the SC mark on apparel (including hats) since 1976, and continuous use of the Athletic Interlock since 1994. California also has a registration date of September 5, 1990 for its SC mark in typed form. [O-Ex. 296.]

In addition, to the extent that use for collegiate athletics is relevant, California has demonstrated by clear and convincing evidence continuous common law use as the school's primary athletic mark back to at least 1898.

By contrast, Carolina's alleged first use date is January 31, 1997. [A-Ex. 51.] An applicant may go behind the date of first use claimed in a use-based application, but it has long been the law that proof of such an earlier date of first use must be clear and convincing. *Elder Mfg. Co. v. International Shoe Co.*, 194 F.2d 114, 92 U.S.P.Q. 330 (CCPA 1952); *Hydro-Dynamics, Inc. v. George Putnam & Co.*, 811 F.2d 1470, 1 U.S.P.Q.2d 1772 (Fed. Cir. 1987). As discussed below, Carolina cannot provide any adequate evidence, much less clear and convincing evidence, that would give it any priority date earlier

than California's priority date. As such, there should be no question of priority where the opposer's registration pre-dates the applicant's claimed first use date. *See generally, King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 U.S.P.Q. 108, 110 (CCPA 1974).

2. The Historical Record Demonstrates that California Has Priority for the SC Mark

a. California Has Undisputed Priority on Apparel

There is no question that California is the first party to use the SC mark on apparel. California's common law rights on apparel date back at least to 1976. By contrast, as discussed in the fact section, there is no evidence that Carolina used any form of the SC mark on apparel before 1997. California has priority by more than two decades.

b. To the Extent Relevant, California Also Has Priority In Connection with Collegiate Athletics

As discussed above, California has demonstrated that it has continuously used its SC mark as its primary athletic mark since at least 1898. For example, every historical document relating to California's baseball team shows use of some form of the SC mark, and every photograph since 1958 shows that the baseball team has specifically used the same Baseball Interlock form of California's SC mark.

By contrast, Carolina's use of any form of the SC mark was *de minimis* at best and in any event Carolina abandoned any rights it may have had several times before 1992 as a result of repeated, decades-long lapses of use.¹⁰ The Trademark Act provides that a mark is abandoned when "its use has been

¹⁰ Carolina appears intent on claiming priority based on the use by the state government of South Carolina in general. However, this is patently flawed since the services of state government (such as providing Air National Guard services, state Historical Markers, or civil war troops) are unrelated to the apparel goods at issue in this matter. Carolina's Licensing Director would presumably know if the state of South Carolina licensed apparel or other products, and he testified that he was not aware of any licensing by the state itself. [DD-Corbett 105:21-106:1 at O-Ex. 252.31-32.] Prior use of mark does not extend to unrelated goods and services. *American Optical Corp. v. Autotrol Corp.*, 175 U.S.P.Q. 725 (TTAB 1972) (effect of such extension would be to bestow upon the prior user an impermissible "right in gross"). A trademark owner cannot extend the use of his mark to new products where the result would be likelihood of confusion in relation to the trademark of another. *Gilson*, Trademark Protection and Practice § 5.05. Put differently, the fact that one division of the state government may use the SC mark for classic governmental services does not give another division rights as to completely unrelated goods since the consuming public would not consider the licensing of apparel as a governmental function. *See generally Proctor & Gamble Co. v. Johnson & Johnson, Inc.*, 485 F. Supp. 1185, 1199, 205 U.S.P.Q. 697, 709-10 (S.D.N.Y. 1979) (rejecting P&G's claim that "SURE" mark for deodorant should be considered for tampons, given the fact that P&G treated tampons and deodorant in entirely separate divisions of the company).

discontinued with intent not to resume such use. Intent not to resume may be inferred from circumstances. “ 15 U.S.C. § 1127. Nonuse for a substantial period of time shall be prima facie evidence of abandonment. *Id.* The following table summarizes Carolina's use, and non-use, of “SC:”

Timeframe	Status of SC at Carolina
Before Re-Chartered in 1906	SCC with <i>De minimis</i> SC Variation
1907-1919	No use
1921-1930	Sporadic and <i>De minimis</i> Use of SC on Minor Teams
1931-1948	No use
1950-1973	Intermittent Use of SC
1974-1991	No use

California has presented sufficient evidence to show that the large gap periods are not simply the result of an incomplete production or mere representative sampling, but instead reflect the fact that Carolina and its athletic teams were using other emblems and indicia. Despite being specifically challenged in this way, Carolina has provided only irrelevant evidence in an attempt to cover over its non-use during these gap periods. California has therefore more than established prima facie evidence of abandonment starting in 1906 (13 years of non-use), again in 1931 (17 years of non-use), and yet again in 1974 (17 years of non-use).

Carolina has not and cannot rebut the prima facie evidence of abandonment in any relevant time period. A trademark owner's “proclamations of his intent to resume or commence use in United States commerce during the period of non-use are awarded little, if any, weight.” *Rivard v. Linville*, 133 F.3d 1446, 1449, 45 U.S.P.Q.2d 1374, 1376 (Fed. Cir. 1998). Nothing prevented Carolina from using an SC mark during its periods of non-use other than its lack of will. This is not a case where a manufacturing plant burned down, or governmental regulation precluded sale of a product, or any other special circumstance would excuse non-use of the mark. Since Carolina cannot rebut the presumption of abandonment of its trademark rights caused by its multiple long term gaps in use, the Board should find that it has abandoned any rights premised on its historical use of SC.

Moreover, *de minimis* use is not sufficient to provide trademark rights in the first instance or to avoid a holding of abandonment. *Planetary Motion Inc. v. Techsplosion Inc.*, 261 F.3d 1188, 1196, 59 U.S.P.Q.2d 1894, 1899 (11th Cir. 2001) (“In general, uses that are *de minimis* may not establish

trademark ownership rights.”). Carolina's evidence of early use of an SC mark amounts to nothing more than the results of a treasure hunt it undertook to try to find any use of SC in any context whatsoever. None of the early uses are the type of bona fide use required by the Trademark Act. See 15 U.S.C. § 1127 (“The term ‘use in commerce’ means the bona fide use of a mark in the ordinary course of trade”). That Carolina found some mention of SC is unsurprising given that the Carolina is located in South Carolina and is chartered by the state. But the settled law is that Carolina's *de minimis* uses do not establish trademark rights. The record overwhelmingly shows that Carolina used its Block C mark to identify its sports teams, with lesser reliance on “USC.” Carolina's use of SC is such a distant third that no reasonable member of the public would perceive SC to be a trademark of Carolina.

To the extent that Carolina *had* any rights and attempts to argue that it maintained them through the abandonment periods by minimal use, the Board has already firmly disposed of that argument. *Oshman's Sporting Goods, Inc. v. Highland Import Corp.*, 16 U.S.P.Q.2d 1395 (TTAB 1990). In the *Oshman's* case, the party charged with abandonment stopped importing the relevant goods (shoes) in 1983, but continued to sell existing shoes in its factory outlet stores as late as perhaps 1989. The Board held that, notwithstanding the continued sales of shoes, the use was so “minimal and inconsequential” that it could not defeat the abandonment claim. Likewise, to the extent there *were* any use during the period of abandonment, it would be so minimal as to be irrelevant under the governing law.

c. Even If Carolina Somehow *Did* Have Absolute Historical Priority, California Would Still Have Priority By Virtue of Its Incontestable Registration

As discussed above, California is the senior user for the SC mark in connection with both collegiate goods and athletic services. However, even if California were *not* the senior user, California would still prevail on the subject of priority by virtue of being the senior registrant with an incontestable registration. Lanham Act §2(d) provides that a mark registered in the Patent and Trademark Office will be a bar to registration. Although one way to look at this is to say the owner of a prior registration prevails regardless of priority, another way to look at it is to say that the incontestable registration satisfies the priority requirement.

As the Federal Circuit explained in the *Lincoln Logs* case:

Opposer's right to prevail in this proceeding arises from the particular provisions of the Lanham Act that are designed to encourage registration of marks. Opposer took advantage of those provisions. Applicant did not. Applicant, as a prior user, could and should have taken steps to prevent registration by Opposer The objective of the statute, to afford benefits to registrants, would be subverted were we to favor a nonregistrant over a registrant in [such] circumstances.

Lincoln Logs, Ltd. v. Lincoln Pre-Cut Log Homes, Inc., 971 F.2d 732, 735-36, 23 U.S.P.Q.2d 1701, 1704 (Fed.Cir. 1992).

Having failed in its previous attempt to cancel California's incontestable registration for SC in typed form, Carolina is likely to attempt to distinguish that registration by claiming that the registration for Class 25 is limited as to channels of trade. However, as a technical matter, since Carolina's application is *not* limited as to channels of trade, the Board must consider the application to cover all possible channels of trade. *Canadian Imperial Bank of Commerce v. Wells Fargo Bank, Nat'l Ass'n*, 811 F.2d 1490, 1491-92, 1 U.S.P.Q.2d 1813, 1815-16 (Fed. Cir. 1987). As a technical matter, there is a clear overlap between Carolina's application and California's registered channels of trade for Class 25 goods.

More to the point, even if one excluded the registration for Class 25 entirely, California's incontestable registration for the SC mark in typed form for other collegiate merchandise would act as a bar to Carolina's registration of SC for collegiate apparel. The record in this case shows that CLC is the licensing agent for approximately 175 colleges and universities [TD-Walsh 10:10-12.] The CLC agreements reflect the wide range of collegiate merchandise that CLC routinely licenses on behalf of those colleges and universities. [See generally DD-Corbett 34:3-35 at O-Ex. 252.9-10; O-Exs. 284.9-12, 285.10-13, 287.8-11, 288.9.] Consumers see the same marks being licensed on other collegiate goods as are licensed on apparel. [TD-Walsh 80:20-24.] In other words, consumers who were familiar with California's use of the SC mark on shot glasses, towels, pennants, back packs, key rings, license plates, etc. would naturally assume that the use of an SC mark on collegiate clothing was related. As a result, since California's approved channels of trade include all of the channels through which Carolina seeks to sell its clothing, California's prior incontestable registration for collegiate goods in Int'l Classes 6, 18 and 24 would bar this application even if (i) California did not otherwise have priority (which it does); and (ii) the Board were to find Class 25 too restricted to be relevant here (which it should not).

B. Each of the *du Pont* Factors Supports Finding That the Proposed Mark is Confusingly Similar to California's Established Registration and Use of SC

Once priority is resolved, the Board then evaluates the probative factors bearing on likelihood of confusion as identified in *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 U.S.P.Q. 563 (CCPA 1973). As noted in the *du Pont* decision itself, each of the factors from case to case may play a dominant role. *Id.*, 476 F.2d at 1361, 177 U.S.P.Q. at 567; *see also In re Dixie Restaurants, Inc.*, 105 F.3d 1405, 1406-07, 41 U.S.P.Q.2d 1531, 1533 (Fed. Cir. 1997). In general, however, the fundamental inquiry for evaluation of a likelihood of confusion will be "the cumulative effect of differences in the essential characteristics of the goods and differences in the marks." *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 1103, 192 U.S.P.Q. 24, 29 (CCPA 1976). The more the goods are related, the less similar the marks must be to find a likelihood of confusion. *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 877, 23 U.S.P.Q.2d 1698, 1701 (Fed. Cir. 1992).

1. The Marks Are Identical or At Least Confusingly Similar

In comparing two marks, the Board looks to the appearance, sound, and connotation of the two marks. The test is not whether the marks can be distinguished when subjected to a side-by-side comparison, but whether the marks are sufficiently similar in terms of their overall commercial impression that confusion as to the source of the goods offered under the respective marks is likely to result. *See, e.g., Grandpa Pidgeon's of Missouri, Inc. v. Borgsmiller*, 477 F.2d 586, 587, 177 U.S.P.Q. 573, 574 (CCPA 1973); *Envirotech Corp. v. Solaron Corp.*, 211 U.S.P.Q. 724, 733 (TTAB 1981). Moreover, where opposer's mark is registered as a word mark in typed form, the Board does not consider stylizations of the marks but simply considers whether the applicant's proposed mark could conflict with any reasonable representation of opposer's registered mark in typed form. *Jockey Int'l, Inc. v. Mallory & Church Corp.*, 25 U.S.P.Q.2d 1233, 1235-36 (TTAB 1992); *Phillips Petroleum Co. v. C.J. Webb, Inc.*, 442 F.2d 1376, 1378, 170 U.S.P.Q. 35, 36 (CCPA 1971).

In this case, the record shows that Applicant's proposed mark is a conflict with a reasonable interpretation of California's mark in typed form. As stipulated by the parties, Applicant's proposed mark stands for the letters SC. [StipFact ¶2.] The sound and connotation of Applicant's proposed mark is therefore the same as California's established SC mark. [*Id.*] Moreover, Carolina's form of SC is a form

that was previously used by California as a form of SC. [O-Exs. 89.2; 94.4; 95.2; *see also* 30.3 and 30.6 (1980 gift catalog with pictures of early cheerleaders).] Given Carolina's recent use of a variety of different forms of SC, it stands to reason that this mark would be considered a reasonable interpretation of California's established SC form.

To the extent that California's incontestable registration for the SC mark in typed form is not enough, California has presented more than sufficient evidence to find Applicant's proposed mark would be confusingly similar to California's established SC mark. As described above, California is generally known by the letters SC verbally as well as visually. California has long used overlapping S and C lettering, including the Baseball Interlock and the SC Athletic Interlock. While Applicant's proposed mark is slightly different from any of California's current stylizations of its general SC mark, the consuming public cannot be relied upon to remember minimal differences that are apparent only in a side to side comparison. *Nautilus Group, Inc. v. Icon Health & Fitness, Inc.*, 372 F.3d 1330, 1344, 71 U.S.P.Q.2d 1173, 1184 (Fed. Cir. 2004) ("In conducting this comparison, 'similarities weigh more heavily than differences.'" (quoting *Entrepreneur Media, Inc. v. Smith*, 279 F.3d 1135, 1144, 61 U.S.P.Q.2d 1705, 1710 (9th Cir. 2002))). Moreover, a side-by-side comparison is improper if that is not the way buyers necessarily see the products in the market. 3 *McCarthy, Trademarks and Unfair Competition* § 23:59 (4th ed. 2006) (citing cases). The Board must consider the general impression of these marks, and the general impression of Carolina's proposed mark is the same as that of California's established SC mark.¹¹ [See, e.g. O-Exs. 3, 248, 249.]

¹¹ Dan Stimmler, who began working for California's bookstore in 1990 and has been involved in selling branded apparel ever since, testified based on his experience with customers that Carolina's proposed mark would be confusingly similar with California's Baseball Interlock form of the SC mark. [TD-Stimmler 33:2-34:4; *see also id.* 34:5-16 (noting that Mr. Stimmler has an understanding of customers' awareness of different trademarks and merchandise).] Liz Kennedy, who has been involved in licensing California's marks for sale to the general public since 1988, testified based on her experience in the licensing industry that Carolina's proposed mark would be confusingly similar to both California's Baseball Interlock and California's Athletic Interlock. [TD-Kennedy 53:7-15.]

2. The Goods Are Identical

Two of the four goods in Carolina's application are expressly covered by California's incontestable registration for the SC mark in typed form. All four goods are covered by California's registration for the SC mark in the Athletic Interlock form.

In addition, California has indisputable pre-existing common law rights in hats, t-shirts, and shorts both through its licensees and through its Team Trojan program. In evaluating an opposition, this Board should find sufficient similarity of goods even if the parties are not offering exactly identical goods, so long as the consuming public might expect an applicant's goods to come from the same source as the registrant's goods. *Monsanto Co. v. Enviro-Chem Corp.*, 199 U.S.P.Q. 590, 595-96 (TTAB 1978); *In re International Telephone and Telegraph Corp.*, 197 U.S.P.Q. 910, 911 (TTAB 1978). In this case, however, California has done more than show mere similarity. California has shown that it has continuously marketed exactly the goods for which Carolina seeks this registration.

3. There Is a Near Complete Overlap in Channels of Trade

While it is true that California's bookstores do not sell Carolina goods and visa versa, both Carolina and California market their goods through a wide range of retailers who sell collegiate merchandise. California's incontestable registration for collegiate goods covers all approved channels of trade, which range from mass merchandising outlets, mid-tier mass retailers, premium high-end fashion boutiques, high end sporting goods specialty stores, giftware and memorabilia stores, sporting goods stores, big box sporting goods stores, home furnishing stores, home improvement stores, and online retail outlets. [TD-Kennedy 19:22-24:14.] California's established common law channels of trade likewise cover all of those channels as well. These are well-established and likely to continue channels of trade.

Carolina's application is not limited by channels of trade, and as a matter of law, the Board technically must consider all possible channels of trade. *Canadian Imperial Bank of Commerce v. Wells Fargo Bank, Nat'l Ass'n*, 811 F.2d 1490, 1491-92, 1 U.S.P.Q.2d 1813, 1815-16 (Fed. Cir. 1987). In addition, because the goods in the application are legally identical to the goods identified by the opposer in opposer's registration, the goods are deemed to travel in the same channels of trade to the same purchasers. *In re Smith and Mehaffey*, 31 U.S.P.Q.2d 1531, 1532 (TTAB 1994). However, even if the

law did not compel the conclusion that the channels of trade were identical, the reality is that Carolina's products travel in the same channels of trade and in fact in many of the very same retail stores.

4. The Conditions of Sale Increase the Likelihood of Confusion

The goods at issue are relatively inexpensive. The hats can be as cheap as five dollars at retail, and at most the hats and the t-shirts would average around \$20 each. Because the goods are inexpensive, consumers may give such goods relatively little consideration. *Recot, Inc. v. M.C. Becton*, 214 F.3d 1322, 1329, 54 U.S.P.Q.2d 1894, 1899 (Fed. Cir. 2000).

Moreover, the record reflects that many of these goods are sold through mass market retailers and department stores like Wal-Mart, Target, JCPenney, Foot Locker, Finish Line, Hibbett Sports, Champs Sports, Sportmart (now merged into Sports Authority), etc. Consumers who enter these stores may not be particularly sophisticated. [TD-Walsh 77:17-78:2.] Individuals who purchase such goods may include not only the "hard-core" sports fan, but also friends and family who are buying these items for themselves or as gifts for others. [TD-Stimmler 35:9-21.] The presentation of items at these stores does not typically separate the goods by school, but instead presents a mass of collegiate merchandise all together. [See *supra* Section II(D)(4).] Under such circumstances, similar goods are likely to be confused.

5. The Record Demonstrates the Fame of California's Mark

The record establishes that SC is a nationally-known mark for the University of Southern California. Carolina's own witness conceded that California has a national reputation in connection with the sale of athletic-related goods. [TD-Walsh 84:1-5.] Opposer's Exs. 163-222 demonstrate sixty sample articles which demonstrate that writers and publishers around the country refer to California as "SC." [O-Exs. 163-222.] California's athletic teams have been among the most successful athletic teams in all of college sports, and among the most widely televised and watched. [O-Ex. 161.8.] While there is no specific evidence relating to the amounts of Opposer's sales and advertising pertaining solely to the SC mark, California's indirect evidence, including but not limited to the length of time in which the mark has been use, the large number of licenses for the mark, and the nationwide exposure of the mark will (and does) establish that the mark is famous. *Time Warner Ent. Co. v. Jones*, 65 U.S.P.Q.2d 1650, 1659 (TTAB 2002).

6. There Is No Material Evidence of Other Similar Marks In Use for Similar Goods

As discussed above, the only evidence Carolina has presented of the use of similar marks is a December 29, 2005 printout from the website of Springfield College. There is no evidence of how long Springfield College may have sold the products, nor any evidence of the amount (if any) of sales.

Evidence of third party use will be relevant if available “to show that customers have become so conditioned by a plethora of such similar marks that customers have been educated to distinguish between different [such] marks on the bases of minute distinctions.” *Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772*, 396 F.3d 1369, 1374, 73 U.S.P.Q.2d 1689, 1694 (Fed. Cir. 2005) (quoting J. Thomas McCarthy, 2 *McCarthy, Trademarks and Unfair Competition* § 11:88 (4th ed. 2001)). The value of such evidence will depend entirely upon the usage by the third party, and such usage will matter only to the extent that the third party uses are recognized by consumers. *Palm Bay*, 396 F.3d at 1373, 73 U.S.P.Q.2d at 1663. Thus, probative evidence of third party uses is minimal without a showing of the extent of such third party uses. *Id.*; *Han Beauty, Inc. v. Alberto-Culver Co.*, 236 F.3d 1333, 1338, 57 U.S.P.Q.2d 1557, 1561 (Fed. Cir. 2001).

The existence of a single potential source of unknown duration and extent does not demonstrate that the consuming public would exercise any particular caution in trying to distinguish between various SC brands of athletic merchandise. *In re Mark Thomas*, 79 U.S.P.Q.2d 1021 (TTAB 2006) (“[W]ithout evidence as to the extent of third party use, such as how long the websites have been operational or the extent of public exposure to the sites, the probative value of this evidence is minimal.”)

7. There Is Evidence of Actual Confusion

Evidence of actual confusion is not necessary, particularly where (as here) the goods at issue are relatively inexpensive and the parties sufficiently distanced from the actual consumer that reports of confusion might not be likely. *Trek Bicycle Corp. v. Alyx Fier*, 56 U.S.P.Q.2d 1527, 1530 (TTAB 2000). The Board may also consider the fact that, while Carolina has apparently been selling some hats with the SC logo since 1997, Carolina has not provided any evidence about the volume of the sales of those hats or any later product bearing Carolina’s version of the SC mark.

Nevertheless, while evidence of actual confusion is not necessary, there *is* evidence discussed in the fact section demonstrating that Carolina's use of various forms of SC is creating confusion in the marketplace. Evidence of actual confusion is very potent evidence of a likelihood of confusion. *In re Majestic Distilling Co., Inc.*, 315 F.3d 1311, 1317, 65 U.S.P.Q.2d 1201, 1205 (Fed. Cir. 2003).

8. The Variety of Goods Also Favors California

The Board need not consider this factor when the opposer sells exactly the goods recited in the application. Nevertheless, the fact that the goods at issue are part of a line of collegiate merchandise and the fact that both Applicant and Opposer sell the same types of collegiate merchandise further supports the finding of a likelihood of confusion here. *See generally Time Warner Ent.*, 65 U.S.P.Q.2d at 1662.

9. The Board May Also Consider Carolina's Inequitable Conduct In Filing a Use-Based Application When It Had Not Used the Goods at Issue on Three of the Four Products Recited in the Application

As noted above, Carolina filed a use-based application in 1997 for hats, t-shirts, shorts, and baseball uniforms. [A-Ex. 51.] However, the record provides no evidence that Carolina had actually licensed t-shirts, shorts, or uniforms for sale to the general public until long after California filed this opposition. To the extent that Carolina filed its application as a use-based application without appropriate support, such conduct may be the basis on which to deprive Carolina of any registration. *See generally Medinol Ltd. v. Neuro Vaxx Inc.*, 67 U.S.P.Q.2d 1205 (2003).

10. The Market Interface Also Increases the Likelihood of Confusion

Both California and Carolina are NCAA Division I-A schools. [StipFact ¶¶ 35-36.] As such, their goods are both likely to be found in the various channels that focus on major collegiate athletics.

C. The Balance of Factors Indisputably Favors California

Typically, the most important two *du Pont* factors are the similarity of the marks and the similarity of the goods. *Federated Foods, Inc.*, 544 F.2d at 1103, 192 U.S.P.Q. at 29. Moreover, typically an opposer need not show the same degree of similarity in the marks if the goods and the channels of trade are similar. *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 877, 23 U.S.P.Q.2d 1698, 1701 (Fed. Cir. 1992) (noting that when the goods are identical, "the degree of similarity [between the marks] necessary to support a conclusion of likely confusion declines.")

Of course, in this matter, the marks, the goods, and the channels of trade are all not merely similar but the same. Applicant's proposed mark is merely a form of California's established SC mark and the name by which it is commonly known across the country. Applicant's goods are the same as the goods covered by California's registration and its decades of merchandising SC branded goods. Finally, Applicant's channels of trade are essentially the same channels of trade that California has long used to sell its licensed merchandise.

In addition, to the extent relevant, the other factors also all favor California. In such a case, the Board must decide in favor of California. Even if there were any doubt on the question of likelihood of confusion, it would have to be resolved against the proposed application since the applicant has the opportunity of avoiding confusion and is obligated to do so. *See TBC Corp. v. Holsa Inc.*, 126 F.3d 1470, 44 USPQ2d 1315 (Fed. Cir. 1997); *In re Shell Oil Co.*, 992 F.2d 1204, 26 USPQ2d 1687 (Fed. Cir. 1993).

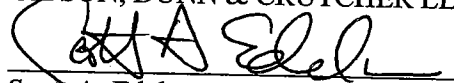
VI. CONCLUSION

For the reasons discussed above, this Board should grant judgment in favor of California's Opposition.

Dated: August 31, 2006

Respectfully submitted,

GIBSON, DUNN & CRUTCHER LLP



Scott A. Edelman

Michael S. Adler

2029 Century Park East, Suite 4000

Los Angeles, CA 90067-3026

Telephone: (310) 552-8500

Peter F. Weinberg

1801 California Street, Suite 4200

Denver, CO 80202

Telephone: (303) 298-5901

Attorneys for Opposer University of Southern California

Reference No. 93107-00125

Opposition No. 91125615

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **OPPOSER'S OPENING TRIAL BRIEF** was placed in the United States mail, first class, postage pre-paid, addressed to the following on this 31st day of August, 2006.

John C. McElwaine
Matthew D. Patterson
Nelson Mullins Riley & Scarborough, L.L.P.
Liberty Building, Suite 500
Charleston, South Carolina 29401

Attorneys for Applicant University of South Carolina



Mandy Robertson-Bora